

FINANCIAL TIMES



SHRUARY 1819

mempleymen smis

that it ments by

en norten u.

But in &

- in the manual - - - Wed 1250 In 6

THE PERSON

TES TOOKE

in the

-- ... iii) link & incurs of the le

in the arms to be

acq or left.

and the same

-Directe mer

= 00 of the corpora

TAL DISTRICT

= Shell fra 1000

appending for

्राज्य के अध्यक्ष

er instant

The first later

in sen set

1091 au

Call centres Death of the branch office

eter Martin, Page 10

a refugee camp



A yen for



World of its own

Virtual reality in a wheelchair

wildlife group to save fish stocks

Unilever, one of the world's biggest buyers of frozen fish, is joining forces with the World Wide Fund for Nature in the first attempt to harness consumer power to tackle the global fisheries crists. The partpership, to be announced today, aims to create s new standard for fish products from "sustainable" sources. The idea is that this would become the industry norm, forcing industrial fleets to change their indiscriminate fishing practices if they want to keep their markets. Page 12

Wall Street stock and bond prices rebounded after Tuesday's losses, as investors reacted favourably to comments from Alan Greenspan, the Federal ave chairman, that long term interest rates could fall significantly if progress towards a bal-anced budget was made. By lunchtime, the Dow Jones Industrial Average was 46.24 higher at 5,504.77 while the 30-year Treasury bond was around three-quarters of a point higher. Fed chairman shows 'born again' spirit, Page 5; Currencies, Page 21; World Stocks, Page 30

Hanson executive joins RJR raiders: Bennett LeBow and Carl Icahn, the corporate raiders trying to force an immediate break-up of RJR Mabisco, the US food and tobacco group, have recruited a senior tobacco executive. He is Ron Fulford, who has resigned as executive chairman of Imperial Tobacco, one of the UK's largest cigarette makers and part of the Hanson industrial conglom-

Dutch state to seli chemicals group stake: The Dutch state plans to sell a 20 per cent stake in DSM, the chemicals group, to a small group of insti-tutional investors. The 7.34m ordinary shares will be worth about Fl 1.12bn (\$687m). Page 13

Puma to place Proventus holding: Puma, the German sports shoe and clothing company, is looking to attract a wider spread of domestic and foreign shareholders through a placement of a large slice of the majority stake held by Proventus, the Swedish investment group. Page 14

Oracle and Verifone in Internet venture: Oracle, the leading US database software company, and Verifone, the largest supplier of credit card verification systems, have formed an alliance to develop an "end-to-end" system for secure elec-tronic commerce on the Internet. Page 16

UK minister rebuffed over jail sentences: The UK home secretary's power to decide when to release prisoners serving indeterminate sentences has been called into question by the European Court of Human Rights. Page 7

Europ in group in Hungarian TV bid: CLT Multi adds, the Luxembourg based European media group, intends to bid for the concession for Hungary's second television station, the first terrestrial station the country is offering to private inves-

Elf Aquitaine profits recover: Elf Aquitaine, its French oil, chemicals and drugs group, announced a turnround to net profit of FFrson (\$994m) for last year. Heavy provisions led to s FFr5.4hn loss for 1994. Page 15

Gene lifts bid for UK chemist: The battle for UK pharmacy chain Lloyds Chemists remained finely balanced after Gene of Germany increased its takeover bid from £584m, to £650m. Page 13; Lex,

Skandia to sell US reinsurance offshoot: Skandia, the leading Swedish insurer, ended a century long involvement in the US reinsurance market when it agreed to sell Skandia America Reinsurance Corp for SKr2bn (\$292m). Page 14

Astra plans New York listing: Shares in Astra rose almost 5 per cent after the fast-growing Swedish drugs group showed a strong increase in 1995 profits and unveiled plans to list its shares on the New York Stock Exchange. Page 15

Yeltsin moves to appease unpaid workers: President Boris Yeltsin sought to appease millions of unpaid Russian workers by sacking several high-level civil servants and executives in partially privatised companies. Page 3

Turkish parties "far from agreement": Mesut Yihnaz, the leader of the Turkish Motherland party, warned he was still far from reaching an agreement with the Islamist Refah party on forming a government. Page 3

Cricket World Cup: Sri Lanka stayed at the top of Group A when Zimbabwe's 228-6 was overhauled with six wickets and 13 overs to spare in Colombo. in the other match in the group, played at Gwalior, including dismissed the West Indies for 173 and went on to win by five wickets.

W STOCK MARKET INDICES	# GOLD	l d
liew York Inachtime	New York: Cornex	1
Dow Jones and Av	(Apr)\$404.0 (401.1)	ta
MASUAD Composite1,097.72 (48.48)		0
Europe and Far East	London:	lL
CAC401,936.90 (+4.54)	close _\$397.55 (402.0)	1 c
DAX 2391.12 (48.51) FT-SE 100 3,725.5 (+11.0)	E DOLLAR	Þ
11-SE 100	- DOLLAR	
1900(-203-7-)	New York: tunchtime	P
III US LUNCHTRIE RATES	₹1.5425	
	DM1.4535 Ffr5.81246	₩
Federal Funds	Sfr1,18615) v
	Y105.125	1
Long Bond	1) C
120 11000000000000000000000000000000000	London:	p
	£1.5445 (1.5444)	i c
OTHER PATES	DM1.4513 (1.4533)	W
tilk: 3-mo interbenk		2
OK 10 yr Gat9763 (9757)	Ann Berthiste Ball (files and)	l 🖆
France: 10 yr OAT103.87 (103.30)		i –
Semany: 10 yr Bund97.60 (97.21)		l
Japan: 10 yr JGB169.775 (110.298)	STERLING_	
	DM22415	ł
NORTH SEA OIL (Argus)		ł
Brant 15-day (Apri) \$17.87 (17.545)	Toloyo \$ close: Y 105.025	

ышц 15-02у (Apr).... Name Spain Places NK2000 Sweden SK200 SNV7.50 Norwely L3200 Omen V500 Palestina J01.50 Potend SF:3.70 SE85.00 OR1.50 Re40 21 5.50

Trade in adversity

The economics of



Bank of Japan

the dramatic



THURSDAY FEBRUARY 22 1996

Unilever links with | Thomson electronics group to be privatised Aérospatiale and Dassault will merge

France shakes up defence industry

By David Buchan in Paris and Bernard Gray in London

The French government yester-day made a dramatic start to its plan to restructure the country's defence industry by announcing the privatisation of the Thomson electronics group and plans to merge France's two aircraft mak-

ers, Aérospatiale and Dassault. The moves came on the eve of President Jacques Chirac's meeting today with ministers and service chiefs at a special Defence Council. After it he will unveil on national television his plan to replace France's beavily-conscript army with a smaller, pro-fessional force.

Mr Alain Jnppé, the prime min-ister, told the National Assembly the government's aim was "to restructure the arms industry around a civil and military aeronautic pole [centred on Aérospatiale-Dassault] and a second, electronics pole constituted around a privatised Thomson". Mr Charles Millon, the defence minister, said he hoped that revamped French defence companies would play "a federating role in Europe", increasing alliances with compa-nies in neighbouring countries.

But it emerged last night in Paris that one of the reasons behind the departure of Mr Alain Gomez, the long-serving presi-dent of both Thomson SA, the

state holding company, and its defence subsidiary, Thomson-CSF, was talks which the group has held on an alliance with General Electric Company of the UK.

Mr Gomez's support for an alliance with GEC seems to have cut across the government's belief that French companies should first regroup among themselves and then, from a position of greater strength, seek new European tie-ups.

GEC is interested in forming an alliance with Thomson-CSF when it is privatised. Thom-son-CSF could be offered to the public on the stock market or sold to either the Lagadère

group, which contains the Matra electronics and missiles business. or Alcatel, the electronics and telecoms company. GEC could then pool its Marconi defence electronics business with the combined French groups. However, other buyers are also

thought to be interested.

The more public line on the dismissal of Mr Gomez, brought in by the Socialists in 1982 to supervise the nationalisation of Thomson, was that the group needed someone new to take it back into the private sector.

Mr Marcel Roulet, who was last year relieved of the presidency of France Telecom for urging faster privatisation of the utility, has been appointed the new head of Thomson, which is to be sold by the end of this year.

The government also announced it wanted to see "a strategic, industrial and financial rapprochement" between Aérospatiale and Dassault, and that s "pilot committee" of the two companies' managements had been created with the goal of proposing by the end of June how the two companies could be united in "a single group within two years". The French state controls Aerospatiale, which makes the country's nuclear missiles as well as civil aircraft like Airbus.

helicopters and missiles, and it

Rafale. Dassault bas recently launched a publicity campaign in favour of the Rafale to try to ward off the threat of orders being cancelled or delayed by the Prench defence ministry.

In spite of the fact that Dassault is profitable while Aérospatiale is not, Dassault shares - 4 per cent of which are held by the public - yesterday rose sharply on the Paris Bourse after news of

Battle plan for French defence industry, Page 2; Rithe warning on arms, Page 7; Editorial

Dole faces call to quit after losing primary to Buchanan

By Jurek Martin in Manchester,

The three frontrunners for the Republican presidential nomination tore into each other yesterday after Mr Pat Buchanan's victory in the New Hampshire primary, which squeezed Senator

Bob Dols into second place.

Mr Buchaban, already on the campaign trail in South Carolina, predicted that if he beat Mr Dole in just one important state primary over the next month the Senate majority leader's cam-paign would "implode". The Republican establishment was now "panicking" over his snccess, he said.

Mr Lamar Alexander, the former governor of Tennessee who finished a respectable third, called on Mr Dole "to get out now" and clear the way for him to take on Mr Buchanan, whose trade and economic policies he said were culled from Democratic

Mr. Dole, politically wounded in New Hampshire for the third time in his career, was in feisty form. Dismissing Mr Alexander as "broke, like I was in '88" and incapable of matching his own national organisation and money, he characterised his struggle with Mr Buchanan as one between "the mainstream and the extreme". But he conceded he might need to change "bits of" his message, widely seen in New Hampshire as being inarticulate

and overwhelmingly negative.
"You'll see the real Bob Dole out
there from now on," he said.
The final results gave Mr Buchanan 27 per cent, Mr Dole 26 per cent and Mr Alexander 23 per cent, with Mr Steve Forbes, the millionaire publisher, far back on 12 per cent and Senator Dick Lugar of Indiana leading the also-

rans with 5 per cent. The early delegate count for the Republican convention, with 996 votes needed to win the nomination, has Mr Buchanan with 27, Mr Dole 16, Mr Alexander nine. Mr Forbes five and two apiece for Mr Alan Keyes, the black conservative, and Senator Phil Gramm, who has with-

Democrats could hardly con-ain their satisfaction at the opposition's disarray. Ms Ann ewis, deputy chairman of the Clinton Gore re-election cam-paign, said the "fractious and colarised" nature of the Republican race stood in "clear contrast" with President Bill Clinton's

vision of the future. She took particular pride in Mr Clinton's score of more than 90 per cent of the vote in the conurrent Democratic primary, in which he was opposed by about 20 fringe candidates. That looked

Continued on Page 12 Fighting for the party's heart and soul, Page 5 Editorial Comment, Page 11 | since it broke off merger plans

European Nove

World Trade News



protest march through the city centre

Volvo profits den by fourth quarte loss in car divisi

By Hugh Carnegy in Stockholm

An unexpected loss by Volvo's car operations in the fourth quarter of last year has hit the Swedish vehicle maker's 1995 profits and yesterday prompted a reverse in its share price.

The car division, Volvo's biggest unit, slid to an operating loss of SKr841m (\$122.4m) in the final quarter, compared with a of SKr700m in the same period of 1994, because of rising development costs and adverse currency effects.

Mr Soren Gyll, Volvo's chief executive, said the performance of the car division at the end of the year was "very bad and unac-ceptable". The division plans to cut 2,260 jobs from its 30,000strong workforce, reducing white-collar functions and slim-

ming down production in Sweden, Belgium and Canada.

Combined with a weaker fourth quarter trend in the highly profitable truck operations, the reverse in the car division held back Volvo's full year group pre-tax profit to SKr13bn, well below the record 1994 surplus of SKr16.4bn and soms SKr2bn below market expectations.

Volvo's most-traded B shares fell on the news, closing down SKr2.50 on the day in Stockholm at SKr134.50. The car division's difficulties

underlined those facing Volvo

CONTENTS

Arts Guide

with Renault of Fra 1993 to focus on its truck operations. A truck division has cessful, Volvo is a establish viability sized independent

Last year car sa. per cent to 374,600 increased its market sha US, Europe and Japan, its . markets. But soaring de ... ment expenses for broadening it. product range and SKr1.2bn costs caused by the strengthening of the Swedish krona held back profits. The division's full year operating profit fell from SKr2.7bn to SKr1.1bn, leaving the operating margin at 1.3 per cent, far below the 7 per cent target.
Analysts said devslopment costs in the car division running st an annual rate of more than 7

per cent of sales were too high. Mr Tuve Johannesson, head of car operations, agreed that costs "rose altogether too quickly in 1995". He stressed, however, that Volvo remained committed to its hesvy investment programme which would eventually lead to better profitability - although he

declined to say when profit margins would start to rise again. The truck operations have become the driving force of the group. Sales in 1995 rose to a record 76,500, up 12 per cent on 1994. Operating profits rose from

Continued on Page 12

Stere Information22.23

German shipyard seeks protection from creditors Bremer Vulkan expects DM1bn

By Judy Dempsey in Berlin

Bremer Vulkan, Germany's largest shipyard, filed for protection from its creditors yesterday, saying it expected losses of more than DM1bn (\$688,000) last year and several of its divisions were

Following its announcement, Bremer Vulkan shares plunged DM17.70. They closed down DM13.55 at DM15.75. The shares had been suspended from trading since last Friday after the Euro-pean Commission said it bad started investigations into the alleged misuse of funds totalling DM600m. The state-backed funds had been earmarked by Bremer Vulkan for its two shipyards in

east Germany.

The Commission had also held up the release of state guaranteed bank credits of DM220m to the company. A bank consortium. headed by Commerzbank, bad already granted a state-backed DM300m credit line to Bremer Vulkan last September, the first clear signal that the company was facing financial difficulties. Mr Karel Van Miert, the Euro-

pean commissioner for competition, yesterday denied any responsibility for Bremer Vulkan's financial problems. "It is on the side of Bremer Vulkan that there was foul play. Its board denied the east German shipyards money they needed to

loss amid divisional insolvencies

ment by Bremer Vulkan followed five hours of talks among the management in an attempt to find a way of preventing bankruptcy and saving nearly 23,000 jobs in the company's west and east German shipyards.
The so-called "composition"

formula it has chosen under German law allows a company to scale down its debts while banks agree to forgo a percentage of ootstanding debts over a specified period. But Mr Frank Teichmüller,

regional head of IG Metall, the engineering union and a member of Bremer Vulkan's supervisory board, described the decision as "a blow for freedom". Thousands of jobs were under threat despite the fact the company had DM7bn of orders on its books. Any yard closures would have

a severe impact on the regions in

which the company operates. The north German city state of Bremen, home of Bremer Vulkan, has an unemployment rate of 14 per cent, considerably above the west German sverage. The east German state of Mecklenburg Vorpommern, where Bremer Vulkan's eastern shipyards are located, has an unemployment

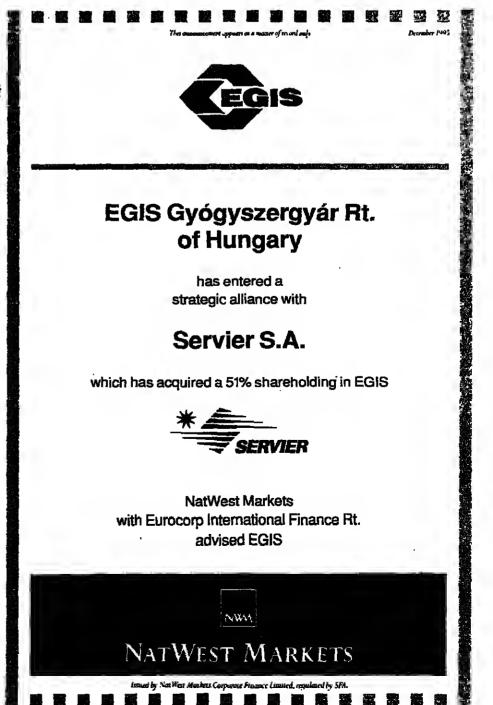
survive." Yesterday's announce- rate of more than 18 per cent. Last September, Bremer Vul-

kan reported group sales of DM2.3bn for the first half of last year and losses of DM27.4m over ths same period. "Yesterday's estimated DM1bn losses for the whole of 1995 really shows how financially strapped the company is," an analyst said.

Mr Udo Wagner, appointed chairman last December, said the company still required DM1.5bn this year to finance the building of a ship and meet DM400m of short-term company payments. An additional DM750m was required for long-term investments, but Mr Wagner did not say from which financial institu tions it would receive credits. Bremer Vulkan already has outstanding debts of more than DM1bn, the majority held by the Commerzbank consortium

Mr Günter Rexrodt, Germany's economic minister, and the Bremen state government both said they would use all means available to save jobs but neither would commit themselves to providing financial assistance.

Struggle to remain afloat, Page 2 Leaky lifeboat, Page 11



U THE FINANCIAL TIMES LIMITED 1996 No 32,915 Week No 8

LOGBOOK - LEEDS - PARIS - FRANKFURT - STOCKHOLIK - MADEID - HEN YORK - LOS ANGELES - TOKYO

fails to win delay in bribes trial

By Robert Graham in Rome

A Milan jndge yesterday rejected a request by Mr Silvio Berlusconi, ltaly's former prime minister and leader of the rightwing alliance, to interrupt bis trial on charges of alleged corruption for the duration of the election.

This means Mr Berlusconi's unresolved judicial problems could bave an unpredictable impact on the election battle over the next two months.

The request had been made by Mr Carlo Taormina, who is the lawyer for one of the co-defendants in the trial but who is also believed to be close to Mr Berlusconi. The move was en as an attempt to prevent the court case spilling over into the electoral arena.

However, Mr Berlusconi was able to draw some satisfaction from another court ruling yesterday. This stated that the corruption trial could not include a substantial block of evidence on the alleged illicit



Silvio Berlusconi: good news and bad

lusconi's Fininvest business

Anti-corruptioo magistrates in Milan waited for more than a year for the Swiss authorities to agree to band over extensive documentation on tbe movement of Fininvestlinked funds - including transfers to nominees of for-mer Socialist premier Mr Bettino Craxi.

Yesterday the jodge ruled that the trial could only focus on the specific cases of bribery io the charge sheet. At the same time be disqualified some prosecotion witnesses. but allowed the defence to call Mr Antonio Di Pietro, the anticorruption magistrate respon sible for Mr Berluscoul's original indictment

Mr Di Pietro, also an aspiring politician, is himself under investigation for alleged abuse of office and was in a Brescia court yesterday.

Mr Berlusconi, the media magnate turned politician, is on trial for allegedly being party to bribes paid to the Guardia di Finanza (financial police) to ensure benign tax inspections of companies in the Fininvest group. Fininvest managers have admitted to paying these bribes but Mr Berlusconi bas insisted be knew nothing about them.

So far the trial, which began late last month, bas been taken up primarily with procedural matters. But this court ruling enables the case to get under way, although Mr Berlusconi's lawyers may seek to raise more legal objections.

The question of finding a solotion to the buge number of corruption cases involving husinessmen, politicians and civil servants could be a major issue in the elections due on April 21. However, Mr Berlusconi'a position makes it awkward for the rightwing alliance to raise the matter.

THE FINANCIAL TIMES
Published by The Financial Times (Europe)
GmbH, Nibelungeuplatz 3, 60318 Frankfurt am Main. Germany. Telephone ++49
69 156 850, Fax ++49 bb 956 4818 Represented in Frankfurt by J. Walter Brand,
Wifhelm J. Brüssel, Colim A. Kennard as
Geschäftsführer and in London by David
C.M. Bell, Chairman, and Alan C Miller.
Deputy Chairman. Sharefiolders of the
Financial Times (Europe) GmbH are: The
Financial Times (Europe) Lid. London and
F.T. (Germany Advertising) Ltd. London.
Shareholder of the above mentioned two
companies is: The Financial Times Limited. companies is: The Financial Times Limited. Number One Southwark Bridge, London

SEI 9HL.
GERMANY:
Responsible for Advertising Cohn A. Kennard. Printer: Hurrivel International
GmbH. Admiral-Rosendahl-Strasse 3a,
63263 Neu-Isenburg ISSN 0174 7363,
Responsible Editor: Richard Lumbert, clo
The Financial Times Limited, Number One
Southwark Bridge, London SEI 9HL.
FRANCE

Southwark Bridge, London SEI 9HL. FRANCE: Publishing Director: P. Maraviglia, 42 Rus-La Boètie, 75008 PARIS. Telephone (01) 5376 8254. Fax (01) 5376 8255. Printer: S.A. Nord Eelair, 15/21 Rus-de Caire, F-59100 Roubaix Cedex 1. Editor: Richard Lambert. 15SN 1148-2753. Commission Partiaire No 67808D.

Responsible Publisher: Hugh Carnegy 468 618 6088. Printer: All Rvallstidningen Expressen. PO dox 6007. S-550 06.

O The Financial Times Limited 1996 Editor. Richard Lambert. One Southwark Bridge, London SEI 9HL.

Berlusconi | Half a million jobs could be lost, business survey shows

No growth seen for Germany

Germany's economy will do little better than stagnate this year and could ahed up to 500,000 jobs, the country's federation of chambers of industry and commerce (DIHT) warned yesterday.

Based on its latest twice yearly survey of 25,000 companies, the DIHT forecast near zero growth in western Germany and an increase of about 3 per cent in east German ontput this year. Only last November the DIHT was forecasting all-German growth of 2 per

Bremer Vulkan Verbund,

Germany's largest shipbuilder,

yesterday applied for an increasingly little-used bank-

ruptcy procedure - known as vergleich - in a desperate effort

The company said yesterday it needed about DM2.2bn

(£960m) in short-term finance

to pay its bills, to provide working capital and to fulfil

outstanding commitments in

eastern Germany, Vulkan lost

more than DM1bn last year

and has over DM1bn in debts,

mostly to three German banks: Commerzbank, Vulkan's main bank, Dresdner Bank and Bre-

Three banks yesterday ssued a characteristically

right-lipped statement express

ing "disappointment" at what

happened, adding they had gone to the limits of support

that was "economically justi-

fied". Since August, about

DM700m has been funnelled

into the shlpyard. But the

banks did not disclose details of how much they had lent. For Commerzbank, the diffi-

culties of Vulkan come at an

awkward time, only a few

weeks after Dalmler-Benz

ended financial support for

Fokker, the Dutch regional air-

to keep afloat.

mer Landesbank.

struggles to

remain afloat

January forecast, the Bonn government predicted growth of 1.5 per cent in Germany as a whole, with western German growth of about 1 per cent against 4-6 per cent in the

Mr Franz Schoser, the DIHT chief executive, said yesterday that the German economy had slowed sharply since the start of 1996 and it would be difficult to pick up speed as the year progressed. He said the mood among businesses had "sunk to a low" primarily through disappointment at the govern-

big Commerzbank client.
The bank said yesterday its accounts would show a write-

down of DM100m against what

it claimed would be a worst-

case scenario. Unsecured loans from Commerzbank to Vulkan

are running in the "low double-digit millions", accord-

The banks support the vergleich procedure - the word means "composition" - as a

means to "conduct a search

with all participants for a way

to limit the negative impact on

Under German insolvency

law, vergleich is a procedure intended to stave off bank-

ruptcy by reducing and rescheduling a company's

debts. But a company itself

ing to a spokeswoman.

the region and on jobs".

ment's failure to produce a cent expected an improvement credible strategy to restore A year ago the proportions growth. Low interest rates and stable prices were insufficient to secure recovery.

The DIHT survey is highly regarded because of the large number of companies ques-

The latest poll shows a stri-king reversal in German business optimism over the past 12 months. In economically dominant western Germany some 34 per cent of companies said they expected business to worsen this year compared with 1995, while only 18 per

were reversed, with 37 per cent expecting an improvement against 18 per cent forecasting a deterioration.

The latest survey sbowed that 38 per cent of companies in western Germany planned to shed labour this year against only 7 per cent planning to take on more staff. The outlook was little better in eastern Germany where 27 per cent of companies planned to cut jobs against 10 per cent planning new hirings. Mr Schoser said Germany's the edge of recession, private consumption was sluggish and investment plans had been curtailed, although he did not rule out a recovery in investment if exports proved resilient this

A recovery in employment would depend on longer term developments, including wage restraint over a period of years, more flexibility in work ing hours and labour contracts. reduced taxes and other charges and a thorough deregulation of Germany's



Work went on as usual at Bremer Vulkan in Bremen yesterday as the group fought to survive

space during which they can restructure their operations and give creditors the chance to recoup at least part of their

If creditors agree to accept the procedure, dehtors must repay at least 35 per cent of

of insolvency proceeding, it has been the method used for big companies whose demise would have been a political as well as a commercial issue. Bremer Vulkan is especially sensitive, because it is a large employer in a region of high

tor. If the court agrees that the procedure can be applied, it will determine how long it can take. If the court does not approve, the case turns into a bankruptcy proceeding.

The most celebrated recent cases of veryleich involved the AEG electronics group and the engineering company Klöckner-Werke. The procedure succeeded in rescuing both companies, although this is more the

exception than the rule. After years of losses AEG applied for *vergleich* in the early 1990s, It continued to operate for almost two years under the procedure and ended up with a clean, largely debtfree balance sheet. Later, however, under the new ownership of Daimler-Benz, AEG reveried to its habits of loss-making, until early this year when; Daimler-Benz decided to pull

The company said yesterday it needed about DM2.2bn in short-term finance to pay its bills

must meet a number of stringent conditions - for example, it must have sufficient funds to pay its wages and other ongoing business expenses - which are rarely fulfilled.

Vergleich is used in only three in 1,000 insolvency cases. Its intent, similar to Chapter 11 proceedings in the US, is to give companies a breathing their debts within 12 months, or 40 per cent within 18. The vergleich is the most

constructive insolvency practice under German law, which is by and large more creditorfriendly than the US Chapter 11, although the balance may change after more liberal insolvency laws take effect in 1999. While it may be a rare form and rising unemployment, and because of its commitments or rather alleged failure to honour commitments - to eastern German shipyarris.

The company yesterday lodged the official application for vergleich at Bremen's magistrates' court. The next step is that the court appoints a local lawyer to act as an administra-

Battle plan for French defence industry

David Buchan explains Chirac's ambigons for Thomson, Aérospatiale and Dassault

ix years after the Berlin wall fell, France is at last trying to catch up other western countries in restructuring its defence industry.

Yesterday the government announced plans to privatise by the end of this year the Thomson group, which controls Thomson-CSF, one of Europe's largest defence electronics companies, and to launch merger talks between France's two aircraft makers, Aerospatiale and Dassault, with the aim of creating a single group in two years' time". The overall strategy, which

President Jacques Chirac will spell out in a television interview tonight that will also encompass his plan to introduce a fully professional army. is first of all to regroup France's fragmented defence industry. Then, from a position of greater strength, the French hope to negotiate European alliances to take on ever fiercer competition from the restructured defence companies of the

Thomson-CSF has made no secret of its belief that its future lies more in European alliances or acquisitions than in tying the knot with domestic rivals, though its privatisation will probably tempt the Lagardère and Alcatel groups to reach for their cheque

books. Likewise, the planned merger of Aerospatiale, which already has an extensive part-nership with Daimler-Benz Aerospace (Dasa), and Das-

sault, which has just formed a joint company with British Aerospace to co-operate on fighters, could be a precursor to Europe's three leading aircraft industries joining hands.

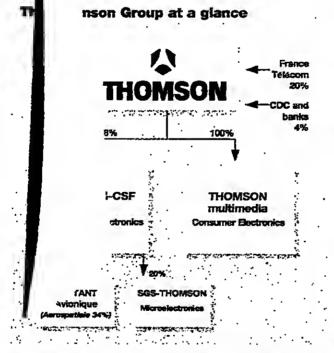
The Thomson SA holding group, which takes its name from a 19th century American engineer, has two very different halves to it. It has a controlling 58 per cent stake in Thomson-CSF, which sold FFr36.4bn (\$7.2bn) worth of professional electronics (twothirds military), and has 100 per cent ownership of Thomson Multimedia, making FFr38bn-worth of televisions and VCR equipment a year. and with its takeover of RCA is the market leader in the US.

Privatisation has always been complicated by the group's FFr20bn debt, for which Thomson Multimedia is almost wholly responsible and Thomson-CSF hardly at all.

The former president of Thomson, Mr Alain Gomez, had long ago told the govern ment that it should either merge Thomson-CSF into the Thomson SA holding and sell the lot together, or sell Thomson-CSF

Frustrated by the government's refusal to make up its mind on his suggestions, Mr Gomez continued his international negotiations and bad recently started talks with Lord Weinstock of GEC in the UK on an alliance.

Concerned that such a move



European ones, the government decided it had had enough of the crusty Mr Gomez, who had been brought in hy the Socialists in 1982 to supervise Thomsoo's nationalisation. Yesterday it replaced him with Mr Marcel Roulet, a gentler character who was relieved of the presidency of France Télécom last year.

French governments have vainly tried before to use their considerable influence over would pre-empt its strategy of Aérospatiale and Dassault to cent of these sbares, could Editorial Computting French alliances before effect a marriage to make exercise a majority over the Lex, Page 12

panies. In 1992-93 Mr Pierre Joxe, the last Socialist defence minister, thought financial engineering could do the trick. He created a holding company called Sogepa and into it placed the state's ownership of Aerospatiale and some of its potential majority stake in

Nominally the state has 46 per cent of Dassault bnt, with double voting rights on 10 per

49.9 per cent held by Mr Serge Dassault. But nothing resulted apart from a bland co-operation agreement by the two companies to work together on new materials.

Able to ignore pressure from the outgoing Socialists, Dassault has now had to bow to the incoming Gaullists, who are using the even more powerful lever of military orders on which the company is very dependent. In recent days, Dassault has in fact launched a big publicity campaign in French newspapers for its new Rafale fighter aircraft to try to stave off any cnts in its key

Mr Chirac has let it be known that in merging with a company five times its size. Dassault's interests must be safeguarded. Dassault can point to its own profitability which, though modest, is in sharp contrast to the perennial losses of Aérospatiale. Dassault is indeed virtually the only French defence company to

have successfully "downsized". It has shrunk over the past six years from an 18,000-strong company selling FFr19bn, to a workforce of 10,000 and turnover of FFr11.6bn while avoiding strikes and staying in the

But there is logic driving the two companies to the altar. As one observer put it: "Dassault is a company with money but no future, and Aerospatiale has a future but no money." Editorial Comment, Page 11

Bulgaria seeks to calm fears over banks

Bulgaria's government does not plan any additional measures to head off problems for some banks caused by a series of deposit withdrawals, Mr Ronmen Gechev, the economy minister, said yesterday. Reuter reports from Sofia. "There are no reasons to panic," he said. "The problems in the banking sector are not so serious that additional government steps are needed."

In the past two months several banks, including the Bank for Agriculture Credit-Vitosha, have hit serious liquidity problems because of large deposit withdrawals ranging from Lv800m (\$10m) to Lv3bn. The withdrawals were triggered by speculation that the banks none has done so. Within a week the cabinet is expected

to discuss a draft bill allowing banks to go bankrupt. The current problems stem mainly from non-performing loans accumulated since 1991, said Mr Gechev, whose ministry oversees the banking sector. Total debts owed to Bulgaria's commercial banks amounted to Lv372bn by February 9. Of these some Lv174bn were owed by the state sector and the remaining Lv198bn by

private companies. We expect a rise in interest payments [on banks' debts] because of

concerned were about to close, though fore, the cabinet programme for bank stabilisation stresses the need to stop banks extending further bad loans," Mr Gechev said.

He declined to say whether and when Bulgaria would set up a "hospital bank" or a smaller agency for clearing bad corporate loans to commercial banks and other concerns. This project was among items discussed with a World Bank technical mission that visited Sofia this month.

Control of bank credit policies is a responsibility of the central hank while the government has direct infinence only over the behaviour of the their huge non-performing loans. There- state-owned banks, Mr Gechev said.

The Bank Consolidation Company (BCC), which manages state equity in commercial banks, is the main shareholder in the Bulbank, the Balkanbank. the Economic Bank, Mineralbank, Bank Biochim, Hebrosbank and Expressbank The BCC also has a stake of 25.1 per cent in BAC-Vitosha and of 12 per cent in the Bulgarian Post Bank

To strengthen control over the stateowned banks the BCC transformed their management system into supervisory and executive boards.

Under the government's bank stabilisation programme commercial banks are allowed to hold only 5 per cent of classified loans in their portfolios.

EUROPEAN NEWS DIGEST

Basque arrest raises tension

Electoral tensions rose in Spain's Basque country yesterday when Herri Batasuna, the political party linked to the armed separatist group Eta, called demonstrations to protest against the arrest of one of its leaders. Police detained Mr Jon Idigoras yesterday outside his home in the Basque town of Amorehieta after he failed to respond to a summons. He was later taken to a court building in Madrid under heavy security to be questioned by an examining judge.

The investigation involves a Herri Batasuna electoral video in which three masked, armed men put forward their political

Police raided party offices last week to confiscate copies of the video, meant for use in party political broadcasts.

The judge's action, prompted by a complaint from the public prosecutor's office, comes amid widespread anger throughout Spain over the recent killings by Eta of a Social status and a prominent jurist in the run-up to the general elections on

Ukraine's sell-off plan vetoed

Mr Leonid Kuchma, the Ukrainian president, has vetoed a controversial privatisation plan backed by communists which proposed to hand over a free 51 per cent stake in the country's food industries to collective farm directors, even if the companies already had been privatised.

Mr Kuchma had vetoed a similar statute last year. The plan

would have kept the vertical monopoly in agriculture in place and taken almost half the companies from the government's mass privatisation programme. The Communist dominated parliament currently lacks the votes in override Mr Kuchma's

The Ukrainian president, who was in Washington yesterday, used the veto to press the International Monetary Fund and US government to renew financial ald, suspended last month after Kiev failed to meet conditions on its \$1.6bn stand-by loan The IMF made a resumption conditional on Kiev rejecting the

A 1996 budget must still be passed for Ukraine to get back on the programme. The IMF now tentatively plans to disburse \$900m between April and September, when Ukraine could start on a new three-year \$3bn loan, according to an IMF official.

"But we must implement our promises, not only declare a commitment to reform." Mr Kuchma said after meeting the IMF director, Mr Michel Camdessus. Matthew Kaminski, Kiev

US plea to Sarajevo's Serbs

Mr Warren Christopher, US secretary of state, yesterday urged Bosnian Serbs to resist pressure from their political leaders to flee their homes in Sarajevo ahead of a handover to the Moslem-led Bosnian government.

"I bope that many of the Serbs will remain in Sarajevo, especially those who had long-standing residences in Sarajevo," Mr Christopher said, adding that he hoped they would "not succumb to suggestions or pressures that they eave". The Bosnian government, under the terms of the Dayton peace agreement, is due to take control of the first of five Serb-held parts of Sarajevo tomorrow.

Mr Nicholas Burns, state department spokesman, said: "We are receiving indications that the Bosnian Serb leaders in Sarajevo are encouraging people to leave. We think this is a great mistake."

Mr Alexander Ivanko, spokesman for the international police force based in the Bosnian capital, said local Serb leaders were being intimidated by the leadership in Pale, the Bosnian Serb stronghold. "Local leaders have been threatened, some of them have had their houses broken into for not toding

Mr Radovan Karadzic, Bosnian Serb leader, yesterday accused the international community of failing to provide adequate security for the Serbs. "Our wish was to have Serbs stay in Sarajevo and we have done everything to persuade them to stay in Sarajevo. However, they do not feel safe and secure. The international community did not give them enough guarantees," said Mr Karadzic. Loura Silber, Belgrade

German plan to junk cars free free of charge at the end of their lives to help protect the

environment. Ms Erika Emmerich, Auto Industry Federation (VDA) president, said the commitment would apply to new cars sold after the deal came into effect and used for a maximum of 12 years. The agreement also involves car importers, parts suppliers, car traders and branches of various industries such

The environment minister, Ms Angela Merkel, said the necessary rule changes meant the commitment could come into effect in the autumn.

She said carmakers had also agreed to reduce the amount of material in cars which could not be recycled from the current-25 per cent to 15 per cent by 2002 and 5 per cent by 2015. "With this we can approach our goal of developing low waste, recycling friendly cars," she said.

٠,٠

**: {+

Palace for future Czech senate

The parliament of the Czech Republic yesterday chose the baroque 17th century Wallenstein Palace as the seat of the future senate, which is to come into being nearly four years after a new constitution laid down provisions for a two-chamber legislature.

Elections for the new senate are to be held in Navember and the 81-seat upper house will convene for the first time shortly afterwards. Reconstruction costs for the palace, which currently houses

the ministry of culture, are estimated at Kc170m (\$6.3m). The palace, in Prague's Lesser Town, is a stone's throw from the current parliament building in Thunovsky Palace. That building will remain the seat of the current 200-member legislature which will then become the lower chamber and base called the chamber of deputies. According to the Czech constitution, adopted after the Czech

Republic and Slovakia split in 1993, the senate will have the power to review laws passed by the lower chamber, but the chamber of deputies has final anthority to pass legislation over senate objections by a simple majority vote.

The senate also was given authority to pass legislation on pressing matters on its own, if the lower chamber were dissolved for any reason.

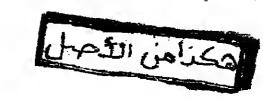
Portugal registers rise in output Portugal's industrial production index gained 4 per cent in the year to November 1995, the National Statistics Institute said.

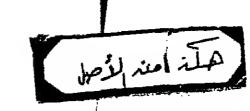
The index rose 3.8 per cent in the first 11 months of last year compared with the same period in 1994 and increased 0.2 per cent in November compared with October. However, analysts believe the index exaggerates the strength of the recovery of industrial production and that growth of about 3 per cent is a more accurate figure.

Because the broad-based index includes categories such as electricity production and mining, analysts say it tends to be inflated in relation to the real growth of manufacturing output. The index is also criticised because it fails to includa AutoEuropa, a car plant jointly owned by Ford and Volkswagen that began operating in mid-1995 and is estimated to account for 10-15 per cent of Portugal's total industrial Peter Wise, Lisbon

■ The number of unemployed fell in Spain during 1995 by 119,090 to total 3.5m and stand at 22.7 per cent of the workforce at the end of last year, against 23.9 per cent at the end of 1994, according to the government's quarterly employment survey.

Sweden's industrial production fell 0.2 per cent in December 1995 from November but was up 4.3 per cent from December a year earlier, according to preliminary figures. During 1995 industrial production grew 9.5 per cent compared.





officials over wages crisis

By Chrystia Freeign

Y FEBRUARY S.

Act of the Control Persons of the Same of the Control of the Same of the Control of the Control

ard their page

infective copies at the pre-from the pre-from the pre-tirenging and the pre-tirenging a

plan vetoed

2 7900ec a

The come.

and the period of the period o

The Commence of England

... v sidus in sees

r improded last and

A straight act of

.... in Net representa

ti pieni io arte.

Erzine orandez

an Diff offere

A. T. T. St. G.

÷ ÷lezuge

the state of the same of

1 ... i ... i ... i ... i ... i ... i

omerca supera

- 10.00 si 0.000 inc

Two Law Law lifes

🕆 🦡 seriaman sait 🕏

1.00 №00 #899555

5470

The second second in the late of the

in the cap of Pale is

÷ :112

provide

. There and care the

1 77 OF DE

TO THE STATE OF TH

· I Discount of

- cometa para

. ... (20USTISSE

The state the

... p. 2015. **fie**

Retain Be

ing the settle

Lar spat of the

dearing four year

ted in November

remain been to the control of the co

after the Cor

rs rise in output

time show

e Czech senate

न न स्यापन

ं ा ं ं ं ं ं ं ं ं ं ं ं ं ं ं

junk cars free

no jeel safe ar

S. Ser Bust

- EGE in⊍ €:

12- OS

... .u. perune:

evos Serbs

ine

President Boris Yeltsin yesterday sought to appease millions of unpaid Russian workers by sacking several high-level civil servants and executives in partially priva-

tised companies.

Mr Yeltsin said the officials. who included the chief of the postal service and a ministry of finance department head, were partially to blame for the Rbs20,400bn (\$4.3hn) mountain of wage arrears which has infuriated millions of Russians and dented the president's chances of re-election in a June

The high-profile purge was the first public step Mr Yeltsin has taken toward fulfilling his campaign pledge to pay off all

back wages by March.
But Mr Mikhail Zadornov. the chairman of the parliamentary budget commission, warned that the "search for saboteurs and scapegoats" would not help Mr Yeltsin to fulfil a political promise which he said was economically

impossible to meet. "The wages won't be paid out in March or in April or in May," said Mr Zadornov, a respected economist who is a member of the pro-reform Yabloko faction in parliament. 'It is simply physically impossibility to pay out all the wages

Mr Zadornov said that most of the wage arrears are a symptom of the tangle of inter-enterprise debt which threatens to paralyse the Russian economy and cannot be resolved by administrative fiat. Even the Rbs3,500bn which is owed to state-sector employees would be difficult to pay off immediately. Mr Zadornov sald, hecause ending the wage arrears would require sharp cuts in government spending

Mr Yeltsin's high-handed move, and hints from Kremlin officials that some of the dismissed functionaries might be

Emboldened by a victory this week against Chechen separatists. General Puvel Grachev, the Russian minister of defence, yesterday vowed to cut out the "cancerons tumour" of Chechen rebellion from the body of the Russian state, writes Chrystia Freeland

Gen Grachev, who was one of the initial architects of the drawn ont and widely criticised war in Chechnya, said: There will be no calm in Russia until we take away this cancerous tumour from its territory." He also mysteriously warned that "Ondayev (the Chechen separatist leader) is hnt a small fish and Chechnya is a testing ground for the strategic enemies of Russia whose main aim is to spllt the country and annex part of its

tried on criminal charges, also revealed the increasingly personal and interventionist role the president is choosing to play in the Russian economy.

In addition to sacking gov ernment employees, Mr Yeltsin also ordered the dismissal of senior managers in two partially privatised companies: Gazprom, the Russian gas monopoly, and the Russian United Energy System.

During a visit to his home town of Ekaterinhurg last week, Mr Yeltsin went even further, commanding that the president of a private enterprise be sacked for paying himself too large a salary.
As Mr Zadornov warned, the

Kremlin leader's new round of purges also threatened to add another element of uncertainty to Russia's already volatile

That danger was underscored yesterday when Mr Evgeny Bychkov, the former head of Russia's Committee for Precious Metals and Precious Stones, learned he had been sacked in the midst of a new round of negotiations on diamonds with De Beers

NEWS: EUROPE

Yeltsin sacks Seven EU signatories agree on closer co-operation over extradition

Schengen states move to heal splits

Seven European Union countries yesterday agreed to tighten co-operation on extradition to avoid a repetition of a diplomatic row between Belgium and Spain over a Belgian court decision to release two alleged Basque terrorists.

Reuter reports from The Hague. The decision may help beal divisions within the Schengen agreement to eliminate horder controls for travellers hetween Spain, Belgium, France, the Netherlands, Portugal, Germany and Luxembourg.
Madrid had snspended compliance

with Schengen's extradition clauses after Belgium's supreme judicial authority overturned a government move to extradite a couple suspected of collaborating in an Eta attack. The fact that two people suspected of

guerrilla attacks in one member coun-try have walked free in another has highlighted the difficulties that face EU countries seeking co-operation between their judicial systems.

Mr Johan van de Lanotte, Belgian interior minister, told the meeting that his country and Spain had agreed to hold talks on resolving the situation averting n Spanish threat to suspend judicial co-operation with Brussels.

Mr Michiel Patijn, Dutch state secre-tary, said the treaty article dealing with extradition would be re-examined and pressure put on the European Union to adopt a convention tightening procedures on extradition.

The stand-off between Belgium and Spain is only one blow to the Schengen accord, which came into force last March. Last week a five-nation "drugs summit" scheduled for March was postponed because of a continuing clash between the Netherlands and France.

France claims that liberal Dutch policies on the availability of soft drugs has made the Netherlands a conduit for narcotics into the rest of Europe. A particular target is the practice of condoning sales of small quantities of marijuana

at coffee shops. France is a member of the Schengen "club" but cited the dangers of drugs and terrorism as its reason for refusing to join the other six nations in dismantling all horder checks on travellers between the countries last year.

France's European affairs minister, Mr Michel Barnier, said vesterday that Paris was still awaiting a firm commitment from the Dutch on the fight against drugs before lifting the con-

However, the Netherlands has uo intention of departing from its liberal policies, under which addicts tend to be treated as patients rather than crimi nals. The Dutch argue that, hy tolerat-ing controlled sales of small quantities of soft drugs, users will not be forced into contact with hard-drug pushers.

A Dutch government white paper recently proposed slightly more restricrive drugs policies: lowering the limit on coffee-shop purchases from 30g to 5g per customer, and roughly halving the number of coffee shops to 600. But it also proposed taking a more benign view of small-scale home cultivation of marijuana.

islets in order to win agree-

ment from other EU member

states that Turkey should

refer its Aegean claims to international arbitration.

expected to request hacking

for specific Greek positions on

the islets and other Aegean quarrels, EU officials said

Greece's refusal not to hold

direct talks with Turkey about

the islets had the support of

the Commission.
Greece has maintained there

is nothing to talk about as its

sovereign rights are not

negotiable

dispute.

Although Mr Simitls was not

government. He told Hürriyet, a leading opposition newspaper: "Do not think the deal is almost done. We bave not yel overcome all difficulties." Mr Yilmaz added: We have not begun discussing our joint programme. And we set a limit of end-February for

Turkish

doubts on

coalition

By John Barham in Ankara

Mr Mesut Yilmaz, the leader of the Turkish Motherland party,

warned yesterday that he was

still far from reaching an

agreement with the Islamist

Refab party on forming a

party

programme. Party leaders decided in principle on Monday to rotate the premiership hetween them, with Mr Yilmaz serving first for 10 months before banding over to Mr Necmettin Erbakan,

the completion of talks on the

his Refah counterpart, However, they could not agree on how to divide portfolios between them. They decided to delegate the task to a "technical committee" which would make recommendations for their next meeting, scheduled for tomorrow. A Motherland adviser explained that many ministries have overlapping responsibilities and the committee of MPs is to demarcate divisions between portfo-

lios more clearly. Refah, which seeks to trans-UK officials accompanying form Turkey's 73- year old sec-Mr Malcolm Rifkind, the UK ular state into an Islamic foreign minister, on a four-nation Balkan trip also made republic, emerged as the largclear that the Greeks would est party in December's elecnot be pressured to hold direct tions, taking 158 seats in the 550-member parliament. talks with Turkey on the Motherland, a centre-right secularist party, came third with The views expressed by EU

133 seats. officials echoed comments made by Mr Rifkind, who met Motherland is insisting on Mr Simitis on Tuesday. While control of economic ministries the UK foreign secretary plus defence and foreign stopped short of recognising affairs. Although Refah is more interested in domestic policy. Greek sovereignty in the region, he praised the Greek particularly the education. government for the "construcinterior and justice ministries tive way" in which it had averted a military clash with it has also stated that it wants a role in economic decisionmaking and security affairs.

Turkey over the islets. Greek officials are con-Unease over compromises cerned that Turkey has merely made by both leaders, who added a fresh dispute to the have negotiated alone behind closed doors so far, is growing list of disagreements over airspace, seabed rights and fortiin the rank and file of both

Brussels backs Aegean court case

By Caroline Southey in Brussels, Kerin Hope and Bruce Clark in Athens

The European Commission yesterday threw its weight bebind Greece's insistence that its dispute with Turkey over islets in the Aegean should be settled by international arbitration.

After talks between Mr Costas Simltis, the new Greek prime minister, and Mr Jacques Santer, president of the European Commission, both indicated clear agreement that if Turkey wished to pursue the question of sovereignty in the Aegean it should take its case to the International Court in The Hague,

Mr Simitis told reporters he appreciated the Commission's show of solldarity and hoped the Council of Ministers would give similar support. The two leaders also held

wide-ranging discussions on EU issues, including the forthcoming intergovernmental conference on the future of the Union and Mr Santer's plan for a "solidarity pact" to boost job creation.

Mr Simitis, who was on the first leg of a three-day tour of European capitals, also met Mr Jean-Luc Dehaene, the Belgian prime minister, and Mr Hans van den Broek, the EU commissioner for external relations. He meets German Chancellor Helmnt Kohl in



UK foreign secretary Malcolm Rifkind seated at a meeting yesterday in Athens with Greek defence minister Gerasimos Arsenis. Mr Rifkind praised Greece's approach to its dispute with Turkey

Bonn today and French President Jacques Chirac in Paris tomorrow. The tour reflects the new Greek government's determination to end the country's Isolation in European affairs and to win support in its disputes with Turkey. Mr Simitis was accompanied

NATIONAL BUSINESS

CONFERENCE & EXHIBITION:

ERITREA'S MIRR

hy Mr Theodoros Pangalos, the foreign minister, who held talks with Mr van den Broek. An EU official said the commissioner expressed his appreciation for Greece's efforts to reduce tensions in the Aegean. and explained that the Commission was not "taking sides

as far as the legal issue of the dispute is concerned". But he added: "To the extent that sovereignty is at stake let Ankara go to court. Greece has indicated it is willing to follow the legal procedures.' Greece appeared to have

softened its approach over the fication of Aegean islands.

ERITREA is rising from the ashes of war and When the destruction, and has entered a new era of peace and tranquility, ERTREA a small ation - is a blessing, possessing many good resource bases in agriculture, fisheries and

350 islands. This is adequate ground for the development of tourism and port services. The Government of Eritrea, within the longterm perspective, sees industrial development as the correct road for the

ERITREA's location at the cross-roads to Europe and the Far East, places It in a good position to access important global as well as regional markets for both inputs and outputs.

progress and prosperity of the country.

es and a coast line 1200 Kms, with over

The Eritrean people are now poised for the aceful reconstruction and development of of Eritros has exacted a series of policy res to promote both domestic and

the war battered economy. The Government external trade. The desire to give trade promisence is the development effort

The objectives of its Trade Policy include:

ing economic growth and a healthy

regional co-operation and economic tion, and increasing the attraction o

Eritres to direct foreign investme

to order to achieve the above-stated ives, the Government of ERITREA has

ilag role in both doc

ertion of the zov

to help make Eritrea a trading nation

set short and Long term Trade Policies including, among others,

Vision for

Business

Opportunities

the optimal utilisation of external resources that will, in a programmed way, be replaced by internally generated resources.

MACROLEVEL PLANNING, POLICY ANALYSIS & ECONOMIC REFORM MANAGEMENT

Strengthening the policy research and analysis copacity, improving forecasting and analytical methodology, improve public expenditure control; establishment of an integrated macroeconomic monogement information system; promotion of Government and private sovings and their effective monogement to corry out mocro-economic and monogement functions with special emphasis on coordinating policy analysis of overall macroeconomic weaknesses.

The National Business Conference and Exhibition (NBCE) held from the 9th to the 17th of December,

1995 was lounched to address the social political cultural and economic problems that are

impediments to business ond entreprenurship development and to recommend ways and means of

ochleving stoble growth in the next five years. The NBCE has come up with the following

recommendations to foster on enabling environment for business development and entrepreneurship

and in the process promote sustainable development through judicious distribution of resources and

PRIVATE SECTOR DEVELOPMENT

Review of legal and regulatory fromework: strengthening investment offices; capital market development; enhancing the role of Chamber of Commerce as interlocutor, strengthening Professional ond Entrepreneurial Associations: investment promotion entrepreneurship development programme; credit schemes for the informal Sector improving information and advisory services: technology transfer, upgrading and extension service; strengthening of capabilities in extension service and transfer of vioble rurol technologies; business monogement training.

PUBLIC ENTERPRISE REFORM/ RESTRUCTURING & PRIVATISATION

in tondem with the policy-legal measures, the government has implemented a series of administrative meosures related to public enterprise reform including obolition of multi-firm public corporation as part of reducing the layers of decision-moking and control organs; establishment of a Privatisation Agency to undertoke divestiture of State owned enterprises.

DEVELOPMENT AND IMPLEMENTATION OF REFORM MEASURES

Policy Review and Reform; establishing on effective management information; rationalisation and promatian of civil service training and skill upgrading; establishing organisational capacity for privotisation and creating and strengthening institutional and legal framework for privatisation.

PROGRAMME FORMULATION, DEVELOPMENT & IMPLEMENTATION ARRANGEMENTS

The second secon

This remains the bed-rock of the development pragramme far the next few years. It is expected to finance the development of programme areas in entreprenurship and private sector development: management of economic and technical change; copital and technalogy; marine resources development, foad security and environment; human development, human resaurces development and utilisation, infrastructure, rurol and regianal development.

For further information please contact:

The Asmara Chamber of Commerce Telephone: + 291 1 121388/120045, Fax: + 291 1 120138

nates from the recognition that Eritrea bas a strategic location which is conducive for the expansion of trade. ctends

ce of payments, expanding access to ross of raw materials, technology and know-bow; removing domestic market filons for the marketing of outputs and Beyond earthy improve employment opportunities enhancing efficiency in production and ness in price and quality of ommodifies and services: promoting

The Horizion.

fiberalising and simplifying the licensing regime and reducing and eliminating both tarriffs and non-tarriff barriers; **ERITREA**

stering export based industries and services by providing assistance in international market penetration, tion back up and assistance is ing the high standards required by the

ncouraging participation in regional, bilateral and multilateral trade and Welcomes economic co-operation and seeking access to preferential trade agreements and zones; sing the private sector to play a and external markets with unlained

For further information, please contact The Ministry of Trade & Industry on: Yel +291 1 113910 Fax: +291 1 120586

of new **India** plant

By Mark Nicholson in New Delhi

Hyundai, the South Knrean carmaker, has won approval from the Indian government to proceed with the country's first wholly owned foreign car plant in a \$700m investment which is expected by 1998 to be turning out 100,000 cars a

Indian officials said half the initial investment would be in the form of equity brought into the country over the next four years. The remainder would be raised by Hyundai from local lenders and external markets.

Hyundai's investment is among the biggest and most ambitious of the recent flush of entrants into India's recently deregulated passe car market. Carmakers Fiat, Peugeot, Mercedes. General Motors, Daewoo and Ford, among others, have begun or announced production joint ventures recently which will raise the range of models on Indian roads by next year to

20 from just 12 m 1995. The South Korean group is considering sites both in Madras and outside New Delhi for the initial 100,000-car plant to produce the company's Accent model by 1998. A proposed second phase would envisage further investment of \$400m to donble capacity to 200,000 vehicles by 2002.

Selection of Madras would accelerate the sonth-eastern state of Tamil Nadn's sudden emergence as a hig Indian car-making centre, following Ford's decision to huild its planned \$800m Fiesta plant in the state, jointly with Mahindra & Mahindra, the Indian

utility vehicle maker. Ford and M&M intend to build 100,000 Fiestas a year, while Daewoo, Hyundai's Korean competitor, has installed capacity of 72,000 cars a year in its joint venture plant with DCM, the Indian commercial vehicle maker, which has already begun producing Dae-woo's Cielo model. Ford chairman Alex Trotman yesterday said Ford would also bnild

Hyundai to own 100% HK acts to keep place as gateway to China own 100% HK acts to keep place as gateway to China

Hong Kong dockside. The companies which operate the harbour berths are locked in negotiations striving to clinch agreement on the construction of CT9, a HK\$10bn (\$1.3bn) container terminal which will further boost capacity at the world's busiest

A deal seems set to involve a significant reshuffle of the existing berths in Hong Kong's harbour which would form part of a broader reshaping of the region's maritime trade facilities. Prompted by shifting pat-

terns in Asian commerce, consolidation in the world shipping industry and China's continued economic expansion, Hong Kong and its port operators are positioning themselves to stay at the head of the region's trade. Their strategies range from development of ports in southern China to modernisation schemes and the forging of alliances with

At stake is whether Hong Kong secures its role as the main trade gateway to China and whether its port operators, controlled by some of Hong Kong's biggest business empires, can maintain their lead. Singapore, Pusan in South Korea and Kaohsuing in Taiwan are seeking a greater slice of regional and transpacific shipments, while many of China's coastal provinces are

which dominate Hong Kong's port see a challenge to its prospects for the foreseeable future. "Hong Kong's size and sophisticated systems give It an edge," says Mr Mark Leese, managing director of MTL, a private company majorityowned by Wharf Holdings, the

Hong Kong conglomerate. Along the quayside there is agreement from Hutchison international Terminals, part of Mr Li Ka-shing's shipping and property empire which accounts for over half the containers travelling through Hong Kong's Kwai Chung port. "Expansion continues to be robust, despite some cooling, says Mr John Meredith, HIT's managing director. Just how robust is clear from

the figures. Throughput in Hong Kong has risen from just 5m TEUs (twenty foot equiva-lent units) in 1990 to more than 12.5m TEUs last year.

The Hong Kong Port Developmant Board forecasts that container throughput will reach 32m TEUs by 2011 - representing an increase each year almost equivalent to the capacity of Felixstowe, the British port owned by HIT. There are question marks over these forecasts, notably

the uncertainty of how much trade could shift to Taiwan should direct economic links

developing their own facilities. Port operators look to alliances, says John Ridding Neither of the two operators

Pearl River ports: regional reshaping



Board, which claims that even big diversions would allow ing-term cargo growth rates of 6-7 per cent, is more concerned hy the need to cope with rising demand.

"What is crucial is the abil-ity to handle the capacity," says Mr Tony Clark, the secretary of the board. To meet forecast demand, two new terminals, CT10 and CT11, are already planned.

CT9, however, has been stalled by a Sino-British tussle and Beijing's objection to the participation of the Jardine group in the Tsing Yi consortium.

Executives at the various port operators believe a solution is now close, following a softer line from Beijing and the possibility of reorganising the existing berths.

For the moment, they claim that the delay has been accommodated by increased efficiency. HIT, for instance, has invested HK\$1.5bn over the past two years on the automation and computerisation of cargo flows.

But Hong Kong's port operators are already having to respond to new challenges. One is the shifting pattern of regional trade and the spread water port.

HIT's answer is a bold strategy to develop a string of ports across the Pearl river delta region in joint ventures with Chinese industrial and government partners. These range from the river port at Jiangmen city to a facility at Zhuhai. At Yantian, to the east of Hong Kong, HIT is developing a deep water port with initial capacity of 500,000 TEUs and with significant expansion planned hy the end of this

MTL has been less active in huilding new ports. "We have taken a more cautious line." says Mr Leese, hut he adds that the group is examining strategic investments in the Pearl delta.

"There is a lack of co-ordination and perhaps an over-development of container ports," saya one hanking executive involved in infrastructure fin-The ontcome, he helieves,

could be that some of the ports fail to develon.

f more immediate concern is the challenge of For a port operator this matconsolidation in the world shipping industry and the impact this might have increasing demand for direct shipments from southern China to destinations within given the increased number of operators in Hong Kong's harthe region. This trade can use

The government's strategy of increasing competition within the port lay behind the award of some of the new berths to the new Tsing Yi consortium. But some in the industry voice concerns. "Shipping lines are consolidating and forming

consortia and they need ever higger port handlers," says Mr Leese at MTL. He points to the recent alliance between Hyundai shipping of South Korea

and K Line of Japan on transpacific routes. -This agreement cost MTL the Hyundai business since the Korean group moved to HIT with its new partner to find

the capacity they required. The ships themselves are getting bigger. Next month a new Maersk Line vessel is due to cruise into Hong Kong. With a capacity of 6,200 TEUs, it is more than 20 per cent bigger than anything else on the

"Size is increasingly the issue and we are going against the industry trend by having more operators, says Mr

"All of the big international ports, from Singapore to Rotterdam, have single operators. We should not be dividing our

The outcome may be further upheaval on the dockside. "Pressure for partnerships, and possibly even mergers, is likely to increase," says one industry executive.

Like the thousands of lorries which rumble through the port gates, the activity in the board-

China's CD piracy irks music sector

By Alice Rawsthorn

The music industry is putting pressure on the US and the European Commission to take a tough line against China in the dispute over computer and entertainment software piracy.

Mr Nic Garnett, director general of the International Feder ation of the Phonographic Industry, which represents the world's record companies, said the piracy situation had "got worse, instead of better" in the year since the US signed its hilateral agreement with Beijing on intellectual property

He said although Chinese anthorities had made efforts to confiscate pirated compact discs, their action was concentrated on retailers, rather than manufacturing plants which are the root of the problem. Moreover, the IFPl is con

Some \$250m of counterfeit CDs and cassettes were sold in China in 1994'

vinced that production of

plrated discs in China increased last year and that exports bave also risen. Mr Garnett claimed that the quantity of counterfeit Chinese

music CDs and CD-Roms confiscated by Hong Kong customs doubled from 250,000 in 1994 to 500,000 last year.

The US has already strongly criticised China, claiming that it has failed to implement the hilateral agreement, the first anniversary of which falls on

Washington has threatened to impose \$1bn of trade sanctions on Chinese exports in retaliation and recently dispatched a team of trade negotiators to Beijing to discuss the Mr Garnett said it was essen-

tial that the US and Europe took a firm line with China to prevent the piracy situation from deteriorating further.

China is the world's largest music market for pirated music with some \$250m of counterfeit CDs and cassettes sold there in 1994, according to the IFPL against \$241m of legitimate recordings.

It is also one of the main sources of pirated recordings for other Asian countries, notably Hong Kong and Japan The IFPI estimates some

\$100m of Chinese counterfeit computer and music CDs were sold in Hong Kong alone last

The IFPI, which last year closed its anti-piracy unit in Canton after death threats against its personnel, is lobbying the US and EU on four to allow foreign record companies to manufacture and distribute their products through joint ventures and advocates that the enforcement proce-dure in the agreement should be simplified, with the Chinese police given responsibility for cracking down on piracy.

HK container throughput

twenty foot equivalent units (m)

1988 93 96 2001 06 11

Source: HK Port Development Board

development_across

southern China. "There has

heen a strong and steady

increase in intra-regional trade

over the past few years," says

Mr Merecith at HIT. "Twenty

years ago about 65 per cent of our business was with the US.

now the proportion is about half that."

ters, because there is an

smaller vessels than the 3,000-

4,000 TEU ships which ply the

The IFPI also calls on China to honour its undertaking to make it illegal to produce or sell CDs without the standard music industry identity.

Its final recommendation is that the Chinese should concentrate on curhing unanthorised production units, rather than retailers and

Japan to probe competition in photo markets

By Michiyo Nakamoto in Tokyo

Japan's Fair Trade Commission yesterday announced it would investigate whether there have been anticompetitive husiness practices in Japanese markets for colour film and photographic paper. Kodak of the US has claimed

that Fujifilm, its Japanese rival, carried out anti-competitive trade practices over ecades with the knowledge and participation of the Japanese government, including the FTC. Kodak says these practices have cost the US company \$5.6hn in lost exports.
Mr Ira Wolf, Kodak's
vice-president, yesterday
expressed scepticism that the FTC investigation would produce any market opening. "This appears to be not an

each year and they did not produce change. Last July the US trade representative launched an investigation into Japan's film and photographic paper markets

said. These surveys were done

after a petition hy Kodak. The commission said yesterday that its probe into Japan's photographic products market was being conducted on its own initiative and not at the request of Kodak

We still stand by our view that we did not close our eyes to anti-competitive practices [in these markets] " an FTC representative said.

The FTC's announcement

ing, on Friday, between US President Bill Clinton and Mr Ryutaro Hashimoto since he became Japan's prime minister last month.

The dispute over anti-competitive practices in Japan's photographic product markets is one of the four priority trade areas in which the US government has indicated it would like to see progress hefore President Clinton's visit to Japan in mid-April

The Fair Trade Commission has strenuously denied Kodak's allegation that it turned a blind eye to anti-competitive practices in the photographic film and paper mar-kets. However, the FTC recognised Japanese markem for consumer colour film and photographic paper "are characterised by their oligopolistic structures [and] long-term business relationships".

6;-.....

prohe. conducted through the voluntary suhmission of material and information by concerned parties, is scheduled to produce a report

hy March 1997. The FTC has previously conducted similar investigations into markets such as cars and car parts, which the US claimed have been shut to foreign penetration hy close ties

among Japanese companies.
In the 13 such investigations conducted since 1990, the FTC has not penalised a single company for hreach of the anti-monopoly law.

US appeals over petrol ruling By Frances Williams in Geneva

The US yesterday appealed

against the verdict of a World Trade Organisation panel that its rules on cleaner petrol violate international fair trade Announcing the appeal in

Washington, Mr Mickey Kantor, US trade representative, said the results of the dispute "will not, and cannot, compromise the Clinton administration's commitment to our environmental laws".

The panel ruling has angered environmental and other interest groups which see it as an attack on high US environmental standards. The panel report, released last month, upheld complaints hy Venezuela and Brazil that US regulations for cleaner-burning petrol impose a different and sometimes stricter standard on foreign refiners. However, in a statement yes-

terday to the WTO dispute settlement body, the panel chair-man, Mr Joseph Wong of Hong Kong, stressed that US environmental goals were not in WTO members were free to

set their own environmental objectives, he said. However, they were bound to implement them in ways consistent with WTO rules, including equal treatment of imported and

domestically produced goods. The appeal is the first case for the WTO's newly appointed appellate body, which has a (exceptionally np to 9... to deliver its judgment. Three of the seven appellate hody

members will hear the appeal and their decision will be binding unless overturned by consensus of all WTO members. Even the groups backing the

US appeal see little chance of reversing the panal verdict. However, the US will be given time to change its rules, failing which it can negotiate compensation with Venezuela and Brazil for lost trade or accept some commensurate trade penalty on its own exports to those countries.

The Clinton administration will thus be able to escape taking action before the November presidential election. Subsequently, the US need only bridge the period to the end of 1988 when the offending regulations expire.

Exactly the same standards will then apply to domestically refined petrol and to imports.

 Hong Kong has taken the first step in the WTO's disputes procedure by requesting consultations with Turkey over new import restrictions on textiles and clothing related to its customs un with the European Union.

FINANCIAL

led Leather, Cade: DB. Price: £53 00

NOW YOU'RE REALLY READY FOR BUSINESS.

1996

By reading the Financial Times you are already one step ahead of the competition. Keep it that way by being up-to-date and organised with the help of a Financial Times diary or accessory. We offer a complete range of desktop and pocket models, including our popular Financial Times Desk Diary shown above. Whichever diary or accessory best suits your needs and tastes, they all present essential information with the same quality you've come to expect from the Financial Times.

To order your 1996 Financial Times Desk Diary, or for more information about the complete range, call the number below. You can also order by calling our Credit Card Hot Line: +44 1209 61 28 20.

CALL: +44 171 873 39 16

ner 1000 Rollerball Pen, designed and made in Italy, or a discreet FT Leather Codet Con



Shell Chemicals yesterday said it was "at an advanced planning stage" for a DM850m (\$585m) European chemicals plant to be owned jointly with BASF of Germany. The plant,

WORLD TRADE NEWS DIGEST

to be built in the Netherlands or Germany, will produce at least 250,000 tonnes a year of propylene oxide and 550,000 tonnes a year of styrene monomer, both of which are used to make specialist plastics. The growth in demand for propylene oxide had prompted

the investment, said Shell. Sales of the chemical have been rising at around 4.5 per cent a year, and are expected to continue at this rate for several years. Prices have also been rising, by 40 per cent in the last two years. However, propylene oxide is a hy-product of styrene monomer, which is facing severe overcapacity problems. This

Shell upbeat on

link with BASF

might have curbed Shell's expansion plans, but BASF said yesterday it had a captive market for much of the plant's planned styrene monomer output. The remainder would be sold on the European spot market. Even without the Shell-BASF plant, styrene monomer supply is expected to exceed demand by nearly 3m tonnes a year hy 1999, with overcapacity growing steadily from this year, in the last nine months, styrene prices have fallen from \$1,400 a tonne to \$500

Arco speeds Algeria investment

Arco, the US oil company, says a "good portion" of its planned \$1.3bn investment to rehabilitate Algeria's El Baguel oil field will be made in the first four years of the 25 year project. A contract signed last week between Arco and Sonatrach, Algeria's state oil and gas group, calls for a phased increase in production from the current 25,000 barrels a day to a peak of 125,000 bd a day in the next decade.

Mr Jay Cheatham, president of Arco's international exploration and production division, says much of the spending will be concentrated in the project's early phase with the first gas injection facilities to boost production due to be installed within a year.

Mr Cheatham said Arco agreed to pay a \$225m advance bonus payment to Algeria in order to change the traditional terms for "enhanced oil recovery" contracts. Normally companies which rehabilitate older oil fields make money by securing a portion of the incremental production from the field. But in the case of El Baguel Arco will receive 49 per cent of the field's total output. He said the new arrangement should help to avoid future "squabhles" over the base production profile of the field. Sonatrach has recently said that it wanted to use the Arco contract as a "model" for additional oil field rehabilitation projects in the country, which needs higher oil and gas revenues to pay for its struggle against an Islamist

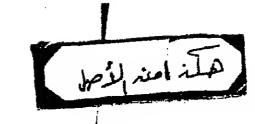
Italy's state-owned Finmeccanica. The arms will be used to equip two ships supplied by Fincantieri, the Italian shipbullder. In 1995 Otobreda received orders totalling over Ansaldo Trasporti, Italian transport engineering group.

The Malaysian navy will buy missiles and munitions worth

about L120bn (\$76m) from Otobreda, armaments offshoot of

said yesterday its Hungarian subsidiary Ganz Ansaldo had won a further L11bn (\$7m) order to overhaul 30 trams for Budapest. The award follows a L10hn order to renovate the electrical system on a 47km stretch of the city's tramway. John Strikins

■ Denmark's Cimber Air has ordered three ATR 45-500 aircraft, from Aero International Regional (AIR), marketing arm of Aviation de Transport Regional (ATR), a joint venture between Aérospatiale of France and Italy's Alenia. To date 485 ATRs have been sold worldwide. Reuter, Paris



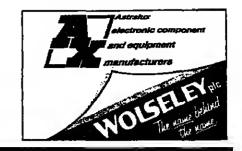


FINANCIAL TIMES

COMPANIES & MARKETS

ATHE FINANCIAL TIMES LIMITED 1996

Thursday February 22 1996



IN BRIEF

FEBRUARY 22 19g

Total Miles

Total States

Total States

Total States

Total States

Themselve

Themselv

Sample of the service of the service

ine doctor

Der Diershipe e

The Mary

1 " 1- Ende of le-

- in coors the r

) probe

tion in

arkets

াল সংক্রী লোক প্রায়

TO THE PART

- 17名 **年** - 217年

. 2511 5 左:

71. 10 To plan

Buoyant Astra to list in New York

Shares in Astra rose almost 5 per cent after the fast-growing Swedish drugs group showed a 25 per cent increase in 1995 profits to SKr12.06bn (\$1.8bn), powered by the success of its anti-ulcer drug Losec, and unveiled plans to list its shares on the New York Stock Exchange. Astra's results maintained the momentum which has taken its market value above \$25bn to become the Nordic region's biggest company. Page 15

Puma announces Proventus stock placing Puma, the German sports shoe and clothing company, announced that Proventus, the Swedish investment group, was to cut its stake from 82.4 per cent to below 50 per cent via a placement of shares. At yestarday's share price, up DM12 to DM436, the placement could raise up to DM200m (\$137.6m) for Proventus. Page 14

Borealis rises despite loss in final term Borealis, one of Europe's largest plastics producers, lifted pre-tax profits to DKr2.63bn (\$468m) last year, from DKr625m in 1994. The group enjoyed a strong first half but lost DKr367m in the final quarter of the year. Page 14

Profits at Elf rebound to FFrSbn Elf Aquitaine, the French oil, chemicals and drugs group, announced a turnround to net profit of FFr5bn (\$994m) for last year. Heavy provisions to cover asset write-downs, restructuring and account-ing changes led to a FFr5.4bn loss for 1994.

Paramount puts pressure on Viacom Viacom, the US media group, saw continued pres-sure on its Paramount film studio in the fourth quarter, with earnings from the entertainment division down from \$22m to \$1m. There was also a 33 per cent drop in earnings from the Blockbuster video chain, to \$107m. Group earnings were down 8

per cent at \$280m. Page 16 Japanese brewers lose their fizz Japan's three listed brewers, Kirin, Asahi and Sapporo, finished 1995 with a hangover, caused by declining beer consumption following a cool summer and a price war. Page 17

NAB confirms purchase of St George stake National Australia Bank, Australia's biggest banking group, confirmed it was the "mystery buyer" of shares in St George Bank, the Sydney-based regional concern. Page 17

Zeneca announces seeds spin-off Zeneca, the life sciences group, is to spin off its seed business, with sales of more than £150m (\$231m) a year, into a joint venture with Royal Vanderhave, a unit of the Dutch Suiker Unie group. The joint venture, to be based in the Netherlands, will be among the world's top five seed companies, with sales of

£300m a year. Page 18 Indian farmers seek higher cotton quota India's farm lobby, mindful that this is an election year for its country, is trying to prevail upon the federal government to release extra cotton for

Companies	in	this	Issue
-ρ -			

3			
AEG	• •	Kirin	•
Aérospatiale	2		
Ansaldo Trasporti	4		•
Arao	4		
Asahi	17		•
Ashenti	18	Maersk Line	
Astra	15	Mid-States	
BASF	4	Nat Australia Bank	•
BET	18	Oracle	•
Borealis		Otobreda	
Brooke Group	13	Pasminco	1
CLT Multi Media		Pioneer Int ·	1
Caltex Australia	17	Puma	1
Commercial Union	1a	RJR Nabisco	1
DSM	13	RWE	1
	4	Rentokli	1
Daewoo Daimler-Benz	14	Royal Vanderhave	1
	2	Sapporo	1
Dassauk		Securities One	1
Delta Air Lines	16	Shell Chemicals	
Egco	17	Skandia	1
Elf Aquitaine	15	Sophus Berendsen	1
Flat	14	Sprint Int	1
Fincantieri	. 4	St George Bank	
Fokker	14	Suiker Unie	1
Ford	4	Swedbank	1
Fujifilm	4	Telstra	
Gehe '	1a	I MOSTIGORI CO.	
HIT		UniChem	1
Hanson		Verifone	1
Hyundai	4	Viscom	1
Imperial Tobacco	13	Vitro	1
KNP BT	14	Vodafone	1
Kerset Investments	17	Zeneca	1

Market Statistics Annual reports service FT-SE Actuaries indices Foreign exchange Gitts prices Bond tutures and options Bond prices and yields Commodities prices London stere service Managed funds service Dividends announced, UK Money markets New kidl bond issues

EMS currency rates Europond prices
Fixed interest indices Bocent issues, UK Short-term int rates

Chief	orice	∋ (chan	iges yest	terda	ау	
FRANKFURT	(DAII)						
Piloso				Pells			
CIKAG Cof pr	660	+	12	Euro Menada	50	-	. 1%
Felia .				Inters Corp	41%		139
Aachen Mich Rg	925	-	35	Precision Ct.	20%	-	1 .
Badenwerk -	492	-	18	PARIS (FTr)			
Haristz	211	-	5				
Hochitet	. 653	-	10	Air Liquide	896	. +	8
Zunders Fein	· 144.7	-	B.3	Club Med	461	+	9.2
MEW YORK (4 .			Decks France	965	+	11
Rises				Seb SA	687	+	23
Boeing	834	+	27	Pell#			
Genesic Hitti	40)	+	238	Thomson CSF	119.1	-	14.9
Tosas Com	47%	+	3	Vedeo	367.5	-	10.3
Feder				TOKYO (Yen)		
Allen Grp	1834	_	174	Alses			
Senter Sentic	15	_	114	į skecita Bist	569	*	31
TOK COM-	4812	٦.	. 214	Falls			
LONDON (Per	acel .			Kaito Marif	740	-	19
Place		•	• •	Mazda Motor	409	-	21
Committed	614	+	. 16	Mitsai Sako	850	-	36
Place Group	161	+	11	Circlent Corp	531	-	26
Jayes Group	118	+	12	Tokyu Car	690	-	29
Patte				BANCKOK (#	inht)		
Madeyy	226	_	11	Rices			
Stone	286	_	20.	Krangchep	1480	+	13.0
Wagon Indi	280 389	_	32	PCM Procest	93.5	+	5.5
TORONTO (C				Sri Charten	78.5	+	7.0
	-,			Palle			
Per Sensors	5%		1	Minor Core	33.75	_	3.25
Macy GWare	3734	Ĭ	274	Their Indi Gas	65.0		5.0
id Star		Ι	-	White Brown	38.5	-	3.5

Hanson executive joins RJR raiders

By Roderick Oram in London and Richard Tomkins in New York

Mr Bennett LeBow and Mr Carl Icahn, the corporate raiders trying to force an imme-diate break-up of RJR Nabisco, the US food and tobacco group, yesterday moved to raise the credibility of their campaign by recruiting two corporate beavyweights to their side.

One is Mr Ron Fulford, 61, a senior tobacco executive who yesterday resigned as executive chairman of Imperial Tobacco, one of the UK's largest cigarette makers and part of the Hanson industrial conglomerate. Mr LeBow's Brooke Group said Mr Fulford had "engineered a dra-matic turnaround" at Imperial Tobacco

The other recruit Mr LeBow announced Mr LeBow said if RJR Nabisco's directors ignored the result of the poll, it would

LeBow and Icahn raise break-up campaign by recruiting two corporate heavyweights

rights advocate who was chief executive of the California Public Employees' Retirement System, the biggest US public employee pension fund, from 1987 to 1994.

Mr Hanson is currently chief executive of Apperican Partners Capital Caput Which American Partners Capital Group, which provides financial services to institutional

On Tuesday, Mr LeBow and Mr Icahn claimed victory in the first round of their battle to break up RJR Nabisco by announcing that shareholders speaking for 50.4 per cent of RJR Nabisco's shares had voted in favour of their spin-off proposal.

Yesterday, Mr LeBow's Brooke Group gave more details of its plans, saying its replacement board would immediately spin off the Nabisco food business to shareholders and would move to "revital-ise" the R. J. Reynolds Tobacco business by installing Mr Fulford as chief execu-

Mr Hansoo would join the R. J. Reynolds board alongside the other nine directors already nominated, and the board would raise the annual dividend to about \$2.00 a

Brooke Group said.

Hanson replaced Mr Fulford, one of its most experienced corporate turnround specialists, with Mr Gareth Davis, 45, a 23-

year veteran of Imperial.

The change was unlikely to disrupt Imperial's business or the Hanson demerger into four groups, analyst said, because of the depth of management at the ciga-rette company. But the loss of such an experienced executive might raise City fears that a much smaller Hanson post-demerger would find it hard to retain its best managers.

Mr Fulford's departure comes amid signs that Hanson is finding the demerger even more complex for tax and other rea-sons than it had expected. The timetable could well slip from mid-year to year-end close followers of the company believe.

plunges below the \$400 mark

Gold price

By Kenneth Gooding, Mining Correspondent

Gold's oew year rally came to an abrupt halt yesterday as the price plunged decisively through the psychologically important level of \$400 a troy ounce to close in London at \$397.55, down \$4.45.

The price touched \$394.40 an ounce at one stage as the speculative investment funds, whose interest belped to drive gold upwards since the beginning of this year, took some profit.

Only 20 days ago gold was at a six-year peak of \$417.95. The price held above \$400 for only 33 days. The market is now trying to find a new floor and a oew trading range," said Mr Ted Arnold, analyst at Merrill Lyncb, the investment bank. The floor might be at \$350 or \$385, be added.

He said gold was unlikely to trade much above \$410 an ounce in the immediate future because this would encourage gold min-ing companies, particularly those in South Africa, to sell forward which would cap any rise. It would also bring heavy selling of physical gold by holders in the Middle East.

Ms Rhona O'Connell, analyst at stockbroker T Hoare & Co, said that markets in Asia and the Middle East, accounting for 60 per cent of global demand for physical gold, were closed this week because of the Chinese New Year celebrations and a Moslem holiday. "This is the perfect week for short sellers to go for gold," she said. It was no coincidence that February 26 marked the lowest point for gold in the price rallies seen in 1985 and 1993.

Gold's price would stabilise between \$395 and \$402 an ounce, she predicted, because physical demand was great enough to hold it at that level. Two surveys, from the Gold

Fields Minerals Services consul-Council, a promotional organisa-tion financed by gold producers, suggested that demand for physical gold reached record levels in 1995, when the dollar price of gold hardly moved from its average for the year of \$384 an ounce. Volatility returned to the market from the first trading day of 1996 when the US hedge funds switched some of their buge cash resources to gold for no obvious reason - they bought options to buy. Nearly all the funds use charts and technical analysis to give them "buy" and "sell" signals. Chartists said vesterday that the technical picture for gold

Concern over inflation is rising but does not fully explain recent price declines Bond markets suffer an attack of the jitters uesday's two-point fall in sury issue from around 8 per cent

the US 30-year Treasury bond, record volume in the interest rate futures contract in Londun and a second successive sharp decline in the Dow Jones industrial Average: are all these developments evidence of a sea-change in global financial markets?

Desplte yesterday's rebounds in Treasury bonds and the Dow, some markets seem overdue for a fall after their performance in 1995. In particular, the Dow, which left the 4,000 and 5,000 levels behind last year before heading to 5,600 this month, has

appeared to defy gravity.
But circumstances point more
to a replay of 1994, when an increase in US interest rates sent the Treasury bond market into sharp reverse, than to the stock market crash of 1987. There seem to be two distinct

time: an economic concern that caused some initial weakness in world bond prices, and which in turn prompted a problem for particular investors in the market. The economic issue is the

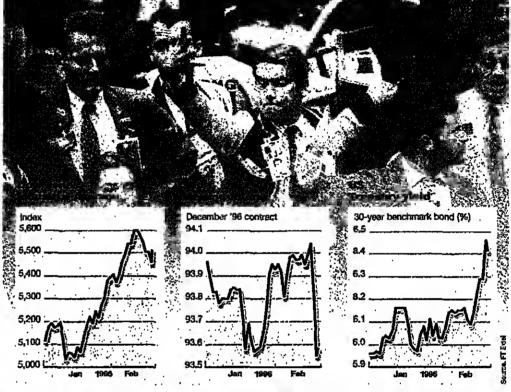
impact of the worldwida fall in interest rates that occurred in 1995 and has continued this year. An attempt by the Japanese government, in particular, to revive its economy via a policy of monetary and fiscal stimulation has sent cash sloshing round tha world. This improved global liquidity has been a support behind the rise in shares and the bull market in bonds, which took the yield on the 30-year US Treato 6 per cent last year.

But investors may now be starting to become concerned that governments and monetary authorities, in trying to restart sluggish economies, have temporarily taken their eye off the inflationary ball.

"What we've enjoyed so far is the bright side of the liquidity expansion," says Mr George Magnus, senior international economist at UBS in London. "What we will come to regret is that liquidity will be absorbed by ris-ing levels of economic activity and will lead to a turn in the interest rate cycle." The sudden change in expecta-

tions about the direction of interest rates seems to be illustrated by events in the short sterling futures cootract. Last week, the future indicated an expected rate of 6 per cent by December - a entage no decline from the current level; by Tuesday night, it pointed to a December rate level of nearly 6.5 per cent, a quarter-point increase from today. In the US, Tuesday's Congres-

siocal testimony of Mr Alan Greenspan, the Federal Reserve chairman, which described the US economy as "fundamentally sound", raised doubts about the prospects for further rate cuts and contributed to that day'a weakness of the bond market, although his second day of testimony was received more favourably yesterday. Fears that German money snpply figures will ba strong has also raised doubts



about the Bundesbank's willing-

ries may have contributed to the decline, they can hardly be the sole cause. "Inflation is not a problem and the world economy is growing more slowly than most would have expected a year ago," says Mr Keith Skeoch, chief economist at broker James Capel. The additional factor, and one

which evokes particular memories of 1994, is the role of speculative investors, such as bedge funds. This time, the speculative play seems to have been to borrow in Japanese yen, where interest rates are around 0.5 per cent. to buy US Treasury bonds and other higher yielding assets. With the dollar rising against the

yen, this has been profitabla. But last week, the strategy finance minister hinted that interest rates were too low. Furthermore, the US dollar seemed to have stalled in its rally against the yen, falling from around Y107 at the end of January to Y104 by February 19.

With the yield un the 30-year US Treasury bond moving from below to above 6 per cent, the speculators seem to have decided to unwind their positions to avoid getting caught as in 1994. The finger has pointed at bedge funds as the main culprits.

Analysts also say that the proprietary trading desks of banks now bave stop-loss strategies which require them to sell if

prices fall below a set level; these seem to have been triggered by many participants trying to sell at once, the drop in bond prices was exacerbated, and in turn fed through to stock markets.

But without substantial evidence of runaway growth or inflation, strategists bope tha losses will be cootained. Most still believe that the world bas moved into a low inflation, low growth phase, quite different from the excesses of the 1980s. "It's a bond market correction. I don't think It's the start of a sustained bear market," says Mr lan Harwood, bead of strategy and economics at Kleinwort Benson.

Philip Coggan | was "grim."

Gehe lifts bid for UK chemist

a share.

By Patrick Harverson in London

The battle for UK pharmacy chain Lloyds Chemists remained finely balanced yesterday after Geha of Germany increased its takeover bld from £584m, to £650m, but failed to land a knockout blow on its rival, UniChem, the UK pharmaceutical wbolesaler and retailer. With institutional shareholders

divided over the attractiveness of Gehe's latest offer, UniChem's hopes of success received a lift when a rise in Its share price pushed the value of its final cash and stock offer close to Gehe's

The German drugs wholesaler raised its all-cash bid from 450p a share to 500p a share, but Uni-Chem's share price rose 7p to 249p, in the process lifting the value of its offer to a more comLloyds' shares closed np 2p at the competing bids. One institu-491p. At one stage, UniChem's share price had risen so far that the cash offer from Gebe because the value of its bid reached 497.4p

Many dealers said UniChem's shares rose because investors believed the group could still win after a disappointingly low new offer from Gebe. But some were surprised by the increase and it is understood the Takeover Panel is looking closely at the share

price movement. In an attempt to further secure its bid, UniChem bought 10.7m of Lloyds' shares in the market at about 497p each, raising its stake from 1.3 per cent to 9.9 per cent. However, analysts said the stake was not large enough to determine the outcome, which would be decided by Lloyds' main share-

were divided over the merits of Lex. Page 18

the risks involved in merging UniChem and Lloyds were too

Another said it would wait and see what happened to UniChem's share price. However, a third fund manager

said unless the German group substantially raised Its bid again he would accept UniChem's cash and sbares offer because be wanted to keep an equity stake in a business that had good growth prospects. "We really like the UniChem paper and we think UniChem is going to win," he said.

Samuel Montagu, Lloyds' merchant bank, advised shareholders to sit tight. "We want to wait a few days and see where the mar-Several shareholders yesterday ket prices settle down," it said.

Dutch state to sell 20% stake in DSM to institutions

By Ronald van de Krol in Amsterdam

The Dutch state plans to sell 8 20 per cent stake in DSM, the chemi-cals group, to a small group of institutional investors. The 7.34m ordinary shares will be worth

about Fl 1.12bn (\$687m). They will be converted into cumulative preference shares and then placed with four or five large Dutch banks and insurance companies. The sale will leave the government with a residual holding of 11 per cent.

"The Dutch state will sell the remainder of its bolding in due course, thus completing the privatisation of DSM," the group said yesterday. The finance ministry refused to say whether the final sale would be this year.

marked the start of privatisation sion into cumulative preference in the Netherlands. The company shares. had made it clear that a third tranche would involve a placement and not a public sale.

DSM's shares rose sharply yesterdsy because the deal will remove most of the government shares hanging over the market. At the same time, the conversion of ordinary shares into cumulative preference shares will lift earnings per share available to ordinary shareholders.

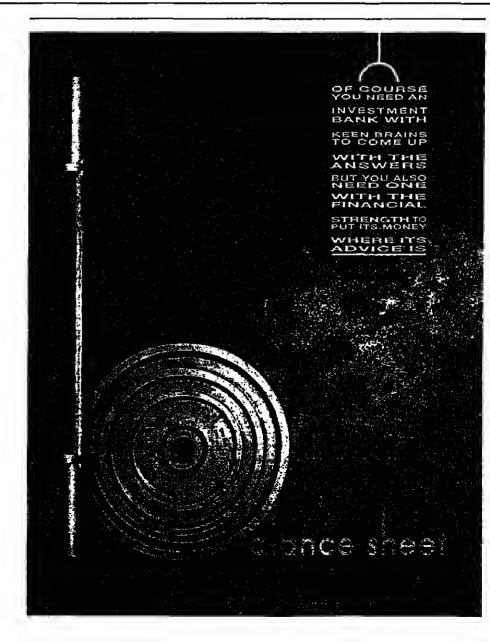
According to DSM, the state's ordinary shares are worth F1 152 each, based on recent share price movements and a premium of 5 sold to the institutional investors ton, also based in London.

In the late 1980s, the government sold 69 per cent of DSM in two big public offerings which to "compensate" for their conver-

The cost to DSM will be about FI 600m. Mr Loek Ligthart, of DSM's management board, said: "We can afford it, given our strong financial position."

The preference shares will pay a rate of interest similar to the yield on Dutch government bonds, plus a premium of 50 basis points. At current interest rates, the shares' yield will be 6.6-6.7 per cent.

The share placement is being managed by ABN Amro Hoare Govett. DSM was advised by London-based J. Henry Schroder and per cent. The 7.34m shares will be the Dutch state by CS First Bos-





A DISPUSE OF BARCLESS WARE PLY

INTERNATIONAL COMPANIES AND FINANCE

EUROPEAN NEWS DIGEST

Stöckl to quit as chairman of AEG

Mr Ernst Stockl, chairman of AEG, the electronics group, is to step down from his post this summer, and will also resign his seat on the board of Daimler-Benz, AEG's parent company. The decision was announced yesterday by Daimler-Benz. whose supervisory board yesterday met for the first time after last week's resignation of Mr Edzard Reuter, the company's chairman. Mr Reuter resigned from the supervisory board following protests over his strategy, which resulted in huge

Yesterday's announcement follows weeks of rumours about the future of Mr Stockl, who was an ally of Mr Reuter. His departure is the latest in a series of changes at Daimler-Benz, intended to dissociate the company from its past troubles, which culminated in a 1995 loss of DM6bn (\$4.1bn).

Mr Stockl, 51, took over the chairmanship of AEG in 1991 promising to restore AEG to profitability. His failure to achieve the turnround at AEG led to Daimler's decision earlier this year to dismantle the unit, which is one of Germany's longest established industrial groups. Daimler-Benz also confirmed that Mr Johannes Semler, a 72-year old Frankfurt lawyer, would take over Mr Reuter's seat in the executive committee of the supervisory board. Wolfgang Münchau, Frankfurt

Fokker expects news of bids Fokker, the Dutch aircraft maker, expects to bear next week from two potential partners whether they would make a bid for the troubled company's operations. "Bombardier is expected to decide early next week whether it will make an official bid for Fokker," the Dutch company said. It added that Samsung was also expected to clarify its intentions with

Fokker next week. Fokker, majority owned by Daimler-Benz, has been urgently seeking a huyer after the German group cut off financial support, forcing it to seek protection from creditors. The company said it saw little chance of avoiding bankruptcy at its bourse-listed holding company and its Fokker Aircraft unit, whatever the outcome. Fokker added that it would seek an extension of its bridging credit facilities next week if there was a real prospect of selling its aircraft-making activities.

Reuter, Amsterdon

Fiat chief to resign next week

Mr Giovanni Agnelli is to step down as chairman of Fiat at a board meeting on February 23, the Turin-based automotive group has said. Mr Agnelli announced his decision to leave the helm at the end of last year and was expected to step down in the run-up to his 75th hirthday on March 12. The meeting will mark a changing of the guard at the group, of which Mr Agnelli will be honorary chairman. Mr Cesare Romiti, chief executive, will become chairman, to be succeeded by Mr Paolo Cantarella, who has headed Fiat Anto, the core cars division. Mr Roberto Testore moves from the Comau automation subsidiary to become head of Fiat Auto. John Simkins, Milan

RWE in Finnish telecoms link

RWE, the leading German industrial conglomerate, yesterday said it bad created a joint venture with Telekom Finland, the Finnish telecoms operator, in bid for a GSM mobile phone licence in the Czech Republic. Telekom Finland will hold a 51 per cent stake in the oew company, to be called LevTel. RWE Telliance, the group's telecoms subsidiary, said LevTel would build a nationwide GSM infrastructure within two years if it won a licence. The group declined to say how much would be Michael Lindemonn, Bonn

Borealis advances despite loss in final term

By Jenny Luesby

Borealis, one of Europe's largest plastics producers, lifted pre-tax profits to DKr2.63bn (\$468m) last year, from DKr625m in 1994. The group enjoyed a strong first half but was suffering losses at the end of the year.

An exceptional surge in plastics prices and demand in the first half had fallen off "with accelerating rapidity" from May, it said, leading to a pre-tax loss of DKr367m in the fourth quarter.

Sales rose 12.8 per cent to DKr17.63bn last year. But this was caused by price move-ments, with the volume of plastics sold falling 7 per cent. In Europe, the market had contracted by 3 per cent as manufacturers ran down their raw material stocks.

This had accounted for around 5 percentage points of the volume decline, the com-pany estimated. The other 2 percentage points were the result of "a deliberate decision to hold back sales", said Mr Jnha Rantanen, chief executive.

"When we saw the softening of the market, we were very concerned not to oversnpply it in a way that would increase the price pressure," he said. An explosion at one of the company's plants also curbed production, and contributed to extraordinary costs in the

Overall, the year had been a "tongh one", said Mr Ranta-nen, with the about-turn in the market underlining the need for further cost-cutting. This was already under way, he said, with gains of DKr1.5bn a year expected by 1998.

However, the surge in the first half of last year had led to a "significant improvement" in the company's financial position. Net debt stood at DKr2.45bn at year-end, down from DKr5.63bn in 1994, reducing gearing to 35 per cent from 93 per cent.

Borealis was created in 1993, through the merger of the petrochemical businesses of Statoil, the Norwegian oil company, and Neste, the Finnish oil and chemicals group.

Proventus stake in Puma to be placed

company has been in and out

of shareholders' favour. Last

year, net profits rose 94 per

cent to DM49.4m from DM25.5m, with Mr Zeitz fore-

casting a further rise in 1996.

in 1993, the company incurred

Turnover was 5 per cent

higher at DM469.4m. with

worldwide licence business

raising this to DM1.18bn (a 4

Following the DM1.9bn share issue by Adidas last year, the

Puma placement will act as a

further stimulus for the Ger-

a net loss of DM69m.

per cent increase).

82.4 per cent, while remaining sold to the public in 1986, the

By Andrew Fisher In Frankfust

public company," Mr Jochen Puma, the German sports shoe and clothing company, is looking to attract a wider spread of domestic and foreign shareholders through a place-ment of a large slice of the managers for the placement majority stake held by Provenfell (the investment banking tus, the Swedish investment group. At yesterday's share price, up DM12 to DM436, the placement could raise up to DM200m (\$137.6m) for Proven-

Proventus will reduce its

stake to below 50 per cent from

in Amsterdam

Net profits before extraordinary items rose 68 per cent from Fl 325m (\$199.6m) in 1994

improvement prompted the company to lift its dividend from Fl 1.00 to Fl 1.75, although the payout ratio of 35 per cent remains in the middle of the group's target band of 25 to 45 per cent. Turnover in 1995 was up 14 per cent at Fl 15hn, while operating profits increased 45 per cent to F1917m.

the largest shareholder.

Puma will thus become a real

The shares will be placed in

the first half of this year. Co-

will be Deutsche Morgan Gren-

operation of Deutsche Bank)

and Goldman Sachs, the US

Since shares of Puma -

based. like its rival Adidas, in

the small north Bavarian town

of Herzogenaurach - were first

investment bank.

chief executive,

operations which have been divested or slated for sale. There were no extraordinary

The divestments, including the planned sale of the flexible packaging business, are part of a strategic reorientation announced in 1995.

Deutsche Telekom's planned DM15bn offering. Mr Zeitz, who has made

far-reaching changes within the company to save costs and improve profitability, said Puma would increase its capital by 10 per cent when the Proventus stock was

Its present equity capital comprises 1.4m shares, with a market capitalisation of around DM610m. Puma will also lighten its shares by reducing their nominal value to DM5 each from DM50.

Miss Kathryn Brown, German equities analyst at Nat-7 West Securities in London. welcomed Puma's profits rise and equity moves. "It's. excellent news because people are positive on the stock but reluctant to mave into it as it's. illiquid," she said.

Puma will also convert its preference shares into voting . stock - the 720,000 voting shares are held by Proventus, with the 680,000 preference units also partly owned byother investors - and pay a-dividend of at least 4 per cent. for 1996

Buoyant KNP BT lifts payout 75%

By Ronald van de Krol

KNP BT, the Dutch paper. packaging and distribution group, is to raise its dividend by 75 per cent, after higher earnings from its paper manufacturing operations huoyed 1995 results.

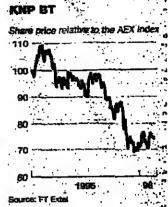
Total net profit included an extraordinary charge of Fl 75m, consisting mainly of adjust-

producer of graphic paper. items in 1994. If the extraordinary item is included, total net profits showed a rise of 45 per

The strongest sector in 1995

Operating profit soured 123 per cent from F1177m to F1393m. attributed to cost controls and higher margins rather than increased volumes. The rise in paper earnings

also came in spite of a slowing in profit growth in the third and fourth quarters, compared with the sharply higher second quarter. This, in turn, was caused by "destocking" among KNP BT's customers.



Skandia agrees to sell

By Christopher Brown-Humes in Stockholm

Skandia, the leading Swedish insurer, yesterday ended a century-long involvement in the US reinsurance market when it agreed to sell Skandia America Reinsurance Corp for SKr2bn (\$292m), But provisions for the move had a negative impact on 1995 profits and its shares fell by SKr4 to SKr160.

The buyer is Fairfax Financial Holdings of Canada, one of the 10 largest US reinsurers. Skandia has wanted to limit its exposure to US reinsurance since it tried to launch an initial public offering for SARC in 1992. That plan was cancelled after a poor investor response. Mr Björn Wolrath, Skandia's chief

executive, said the choice was between investing more in SARC or pulling out. He said uncertainties in the US market were one reason for the sale.

The group believed it could make bet-

ter use of the funds freed by the sale by ploughing them into its core Nordic businesses and its fast-growing international life operations.

Mr Harry Vos, head of group accounting, said the sale was in line with the group's strategy to withdraw from the US direct non-life insurance and reinsurance markets. The group's remaining reinsurance operations, both in life insurance and non-life ontside the US. will be handled by Stockhulm-based Skandia International.

Provisions for the sale dragged down Skandia's 1995 figures, but it managed to swing to an operating profit of SKr500m from losses of SKr187m in 1994. The group said it had strengthened its reserves for SARC by SKr1.2bn and provided for a guarantee for a fur-ther SKr400m. Overall the group's operating profit would have been SKr1.35bn higher in 1995, if SARC was excluded.

Skandia said its main non-life and reinsurance nperations, excluding SARC, had made a SKr1.05bn profit, virtually unchanged from 1994. But while Nordic activities had improved their performance, direct non-life insurance businesses outside the region had faltered, mainly because of soft UK market conditions.

Swedbank joins rivals in-US reinsurance offshoot property assets disposal

By Hugh Carnegy

Swedbank yesterday joined the queue of Swedish banks moving to offload the big property portfolios they were forced to acquire during the loan-loss crisis of the early 1990s. The bank said it would spin off its real estate holdings to its shareholders in May.

The savings bank foundations which are the main shareholders of Swedbank simultaneously announced they intended to sell off to Swedish and international institutions a 7.1 per cent stake in the bank - worth about SKrl.4bn (\$204.3m).

The sale will allow the foundations, which will continue to hold a 13.7 per cent share in Swedbank, to pay off SKr2.6bn in loans guaranteed by the state as part of its rescne of the banking system during the loan-loss

Swedbank's plan to hand over its property company, called Tornet, to its shareholders follows similar moves by Skandinaviska Enskilda Banken

and Svenska Handelsbanken. Turnet, intn which Swedbank will inject SKr2.5bn of it own capital, holds properties in Sweden and elsewhere in, Europe worth SKr9.3bn, bigger than the Handelsbanken holdings but much smaller than the SKr23bn held by SE-

Tornet will be listed on the Stockholm bourse in early May - before the other two bank companies.

Swedbank, meanwhile, reported operating profits in 1995 up to SKr4.3bm from SKr4bn in 1996. It said the figures did not fully reflect the extent of the improvement, as the 1994 profit was inflated by one off capital gains of SKr1.9bn

The main feature in 1995 was a fall in loan losses from SKr3.8bn to SKr2.2bn. But the underlying performance slipped as operating profits before loan losses fell from SKr7.6bn to SKr6.5bn, reflecting the tough conditions in the Swedish market,

The dividend was set at SKr3.50 per share, 40 per cent higher than last

All of these securities having been sold, this advertisement appears as a metter of record only

United Dominion Industries Limited



5,175,000 Shares

Common Shares

(no par value)

1.035.000 Shares

This portion of the offering was offered outside the United States and Canada by the undersigned.

Goldman Sachs International

CS First Boston

Schroders

BMO Nesbitt Burns International Limited

ABN AMRO Hoare Govett

Commerzbank Aktiengesellschaft

NationsBank/Panmure Gordon

4,140,000 Shares

This portion of the offering was offered in the United States and Canada by the undersigned

Goldman, Sachs & Co.

CS First Boston Schroder Wertheim & Co.

Dean Witter Reynolds Inc.

Nesbitt Burns Securities Inc.

Deutsche Morgan Grenfell Dillon, Read & Co. Inc.

Interstate/Johnson Lane

Donaldson, Lufkin & Jenrette

Duff & Phelps Securities Co.

Lazard Frères & Co. LLC

J.P. Morgan Securities Inc. Advest, Inc. J. C. Bradford & Co.

Morgan Stanley & Co.

Smith Barney Inc.

Edward Jones

McDonald & Company

BZW Canada Limited Wheat First Butcher Singer

CIBC Wood Gundy Securities Corp. Gordon Capital, Inc.

First Marathon

RBC Dominion Securities

Midland Walwyn Capital Inc.

Lévesque Beaubien Geoffrion Inc.

Richardson Greenshields Securities Inc.

Scotia Capital Markets (USA) Inc.

February 1996

DSM N.V. invites shareholders to **Extraordinary General Meeting**

An Extraordinary General Meeting of Shareholders will be held at ,DSM's head office at

On the agenda are decision-making proposals concerning part of the DSM shares held by the State of the Netherlands, including an amendment to the DSM N.V. Articles of Association involving among other things the conversion of ordinary shares into cumulative preference shares and a compensation therefor.

The agenda with notes is available for perusal at the company's head office and can be obtained free of charge from said office and from the following depository banks:

United Kingdom: S.G. Warburg & Co. Ltd., London Netherlands: ABN AMRO Bank NV, Amsterdam

Holders of bearer shares who wish to attend the meeting should deposit their share certificates with the depository bank not later than Monday, 4 March 1996, against a receipt entitling the holder to enter the room where the meeting will be held. Holders of registered shares should notify the Managing Board of Directors of their intention to attend the meeting not later than Monday, 4 March 1996.

Those who attend the meeting should present identification papers on request.

The above also applies to those who derive the right to attend the meeting from their rights of usufruct or lien on shares.

Heerlen, 22 February 1996. The Managing Board

DSM (S

DSM N.V., P.O. Box 6500, 6401 JH Heerlen (Netherlands), tel. (31) 45 5782371, fax (31) 45 5782960

Wells Fargo & Company

US\$200,000,000 Floating rate subordinated capital notes due 1998

The notes will bear interest at 5.375% per annum for the interest period 23 February 1996 to 22 May 1996. Interes payable on 22 May 1995 will amount to US\$134,38 per US\$10,000 note.

Agent: Morgan Guaranty Trust Company **JPMorgan**

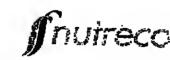
£175,800,000

Floating Rate Notes due 1996 In accordance with the pruvisions of the Notes, notice is hereby given that the Rate of interest for the three month period ending 30th May, 1996 has been fixed at 6.364849, per amount. The interest accuraing for such three month period will be £158.25 per £100,000 Bearer Note, and £1,582.25 per £100,000 Bearer Note, to 20th May, 1996 against presentation of Coupon No. 16.

5th February, 1996

Union Bank of Switzerland Landon Branch Agent Bank

This announcement appears as a matter of record only.



Facilities Arrangement of NLG 450,000,000

ABN AMRO BANK N.V.

ioint arrangers

RABOBANK NEDERLAND

co-arranger The FUJI BANK, LIMITED

ABN-AMRO Bank

February 1996





Luro

beh

7....

1000

INTERNATIONAL COMPANIES AND FINANCE

Profits at Elf Aquitaine recover to FFr5bn in year

By David Buchan in Paris "

STREET SHOW

Elf Aquitaine, the French oil, chemicals and drugs group, yesterday announced a turnround to net profit of FFr5bn (\$994m) for last year. Heavy provisions led to s FFr5.4bn oss for 1994.

Elf made FFr6.7bn worth of provisions in 1994 to cover set write-downs, restructuring costs - and accounting

The turnround, which Mr Philippe Jaffré, president. claimed put the group "back on the right trajectory", was also partly attributed to an improved performance by the the oil exploration and produc-tion, chemicals and health divisions. Group operating profit rose from FFr11.1bn in 1994 to FFr15.5bn last year, while turnover edgad ahead from FFr207.7bn to FFr208.3bn.

Mr Jaffre, who took over the helm et Elf in 1993, noted that over the past two years tha group had sold off FFr15bn of non-strategic industrial assets and FFr9bn of non-strategic financial assets. It was also one of the first French groups to write down the value of core assets, to the value of FFr10bn. He added that Elf intended to invest more than FFr130bn

over the next faw years, of which FPr100bn would be in industrial activities and exploration, FFr25bn in ressarch. and FFr10bn in personnel

100000



Philippe Jaffré: group 'back on the right trajectory'

Gulf of Guinea, produced a 16 per cent rise in operating income to FFr8bn last year. Oil output rose 8 per cent to 997,000 barrels a day, whila reserves stayed unchanged. But Elf execulives said they now had hopes for new deepweter fields off the coasts of

Nigeria, Congo and Angola. However, Mr Jaffre was downbeat on rsflning operations, on which Elf merely broke even last year. Arguing that margins would stay low for the foreseeable future, he pointed to the fact that Elf had scaled down its stake in the eastern German Elf's oil exploration and production activities, chiefly in the North Sea and Africa's plant et Leuna and declined to enter refining in Shanghai and Malaysia. It now only had 15

per cent of its assets in refining and distribution. Elf chemicels, chiefly

through Elf-Atochem, had a boom year, increasing operating income from FFr1.8bn in 1994 to FFr5bn last year. Elf-Sanofi, the group's phar-maceutical and beauty prod-

ucts aubeldiary, yesterday reported an 18.6 per cent rise in net profits to FFr1.57bn last year, with the first full-year consolidation of results from

Matif celebrates 10 speculative years

The Paris exchange has seen rapid growth since its inception, writes Andrew Jack

of traders tucked away in a corner of the Palais Brong-niart, the old stock market building in cantral Paris, began buying and selling a

new financial contract.
The traders, dubbed "Group Four", were the original participants in what was in those days known as the CCFIP, the Paris clearing house for financial instruments. It has since developed rapidly, changing its name to Matif, tha French financial futures exchange. This week it celebrated its 10th

anniversary.
From humble beginnings. offering the "notionnel" or French government futures contract, it has grown into the fourth largest derivatives market in the world, offering 16 separate products and witnessing the total volumes of con-tracts traded rise from 1.7m in 1986 to 71.1m last year.

"When we started out, we decided it needed to break even with 1,000 contracts a dey," says Mr Gérard Pfauwadel, then deputy secretary of the French treasury in charge of regulating the new market. He is now Matif's chief executive. "We were generating 3,000 a day almost immediately, and now we operate 300,000 e day." The creation of the new exchange was part of tha

ment- at that time spearheaded by Mr Pierre Bérégevoy, the socialist finance minister - during the mid-1980s to integrate into global financial markets and help develop new ways of funding public debt The Matif was an essential

part of the stratagy, since derivatives provided an important way to make the country's cash market more liquid and boost its ettractiveness to For Mr Pfauwsdel, it was

changes that would transform the French markets during the second half of the 1980s.

Matif was equally controlled by banks, stockbrokers and insurance companies, and represented the first institution in which the traditional rivalry between the first two groups was broken down - ahead of legal changes which allowed banks to buy brokerage

Mr Pfauwadel also points to the international development of the market. Starting with a purely domestic product and French members, it now counts 43 per cent of members from other countries, and is increasingly developing links with foreign exchanges.

"Ten years is e short period, - but in our business it is e very long time ago," he says.

"No-one in France guessed that we would become so large and

well-established so quickly." But not everything has been positive. Early in its history, Matif had to cope with a number of important setbacks. including the 1987 crash, and two substantial losses incurred by French groups on the deriv-atives markets, which tarnished its reputation.

everal contracts it attempted to introduce over the years also failed, down. "We have had difficulties with our international line of products," says Mr Pfauwedel. "We ara a derivetives

a cash market not far from you if you want to be successful." The result is that while Matif boasts a range of products, it still remains highly dependent

on the notional contract, the original product with which it was launched in 1986 and which now accounts for a little under half of all trades. More recently, the French derivatives market has seen

business slowing down. After almost uninterrupted growth in the previous decade, the vol-ume of contracts traded fell by nearly a quarter from 93.4m in 1994 to 71.1m last year.

Mr Pfauwadel says the drop reflects a cyclical change, and was a trend echoed in futures the world last year. He adds that the trend at the start of 1996 has looked far more positive. "We are more bullish than ever before," he says.

In the last year, Matif has also faced internal tensions among its members. Last Easter "locals", who trade on their own behalf in the market and make an important contri-bution to liquidity, went on strike for several days over concerns ebout increases in the commissions to be levied on them.

They are also concerned that the market would be threat-ened if the "open outcry" systam of trading were jeopardised. This concern largely centres on whether a decision is taken in e few weeks to go ahead with elec-tronic trading links connecting Matif and the French stock exchange with their two German counterparts, run by the Deutsche Terminsbörse in Frankfurt.

Mr Pfeuwadel dismissas these concerns as those of a

Looking towards the next decade, he predicts that there will be "fewer, blgger mar-kets", and hopes simply that Matif will be among them. He says his priority for the future is "to ensure the market is efficlent, cost-effective and Ilq-

Success of Losec behind 25% rise in Astra earnings

fast-growing Swadish drugs group showed a strong increase in 1995 profits and unveiled plans to list its shares

The group increased profits by 25 per cent from SKr9.6bn to SKr12.06bn (\$1.8bn), maintaining the momentum that has taken its market value ebove \$25/91 to become the Nordic region's biggest company.

Its profits are nearly as big ee Volvo's, which yesterday reported a pre-tax figure of SKr13bn, even though its sales et SKr35.8bn are only e fifth as large as the vehicle maker's.

The group's performance continues to be driven hy Losec, its blockbuster anti-ulcer treatment that may become the world's top-selling drug this year. Losec sales climbed 53 per cent to SKr15.8bn, while total sales of the drug (including those through the compa-ny's Astra-Merck joint venture in the US and licensees) rose 22

Losec gained share in most of its main markets, giving it 40 per cent of the European market, 27 per cent in the US.

chief executive, believes the drug can echieve even greater success, although analysts were sceptical of his claim that

Pulmicort, the group's anti-asthma treatment, saw sales rise 17 per cent to SKr4.34bii. leunch this drug, delivered through a special inhaler, in

Total group sales advanced 19 per cent in constant currencles, against market growth of 8 per cent. In Europe, Astra's sales grew 14 per cent, twice

Mr Mogren said the group had only been modestly hit by pricing pressures caused by the cost-containment efforts of the world's health euthorities. The main pressure last year was felt in Germany.

The company hopes to gain a listing on the New Stock Exchange after mid-May.

of profits growth in 1998 because of the impact of the stronger krona. Mr Franc Gregori, pharmaceuticals analyst with Paribas in London, said: "Astra remains the superb story that it has been for the past seven years. But the more successful Losec is, the more difficult it will be for Astra to

Shares in Astra rose almost 5 per cent yesterday after the they might be able to double its US sales,

the US later this year.

the market rate.

Analysts expect a slower rate

nd 5 per cent in Jepan. replace when it begins to come But Mr Hakan Mogren, Astra off-patent in the year 2001."

European group in Hungarian TV bid

By Virginia Marah in Budapest

CL' Multi Medie, the Luxembourg-based European media group, intends to bid for the concession for Hungary's second television station, the first terrestrial station the country is offering to private

are expected to call a tender for a 10-year concession for the frequencies used by MTV2 in the first half of this year. The aim is to start the new channel

in January 1997.
CLT, whose largest share-holders are Groupe Bruxelles
Lambert, the Belgian holding company, and Hsvas, the French media group, said it was in talks with local and international media companies and intended to take s stake of up to 49 per cent in s bid

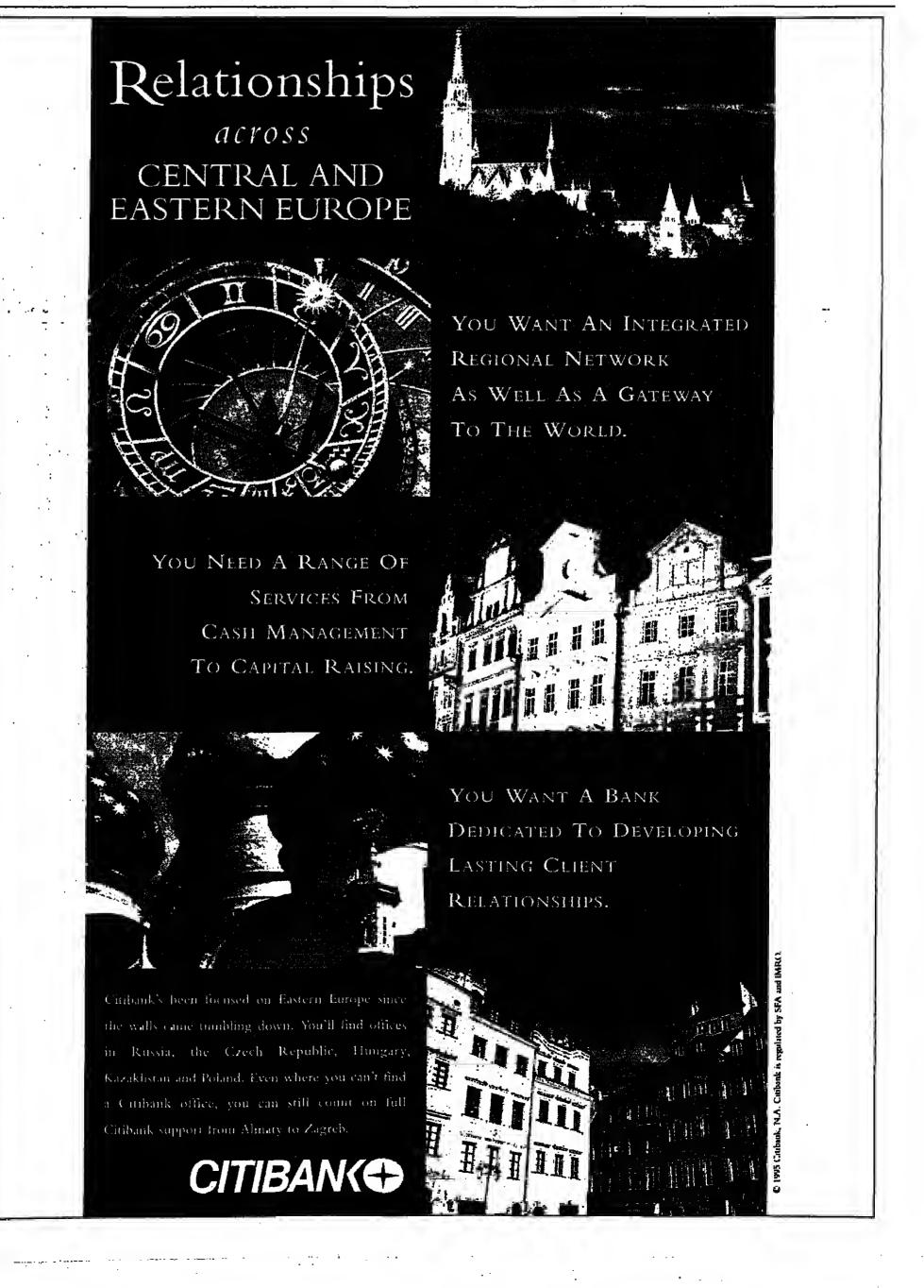
CLT, Europe's oldest commercial broadcaster, holds stakes in 25 television and radio stations in Europe, including RTL channels in Germany, France and the Benelux countries, and is part of the winning consortium for Chan-uel 5 in the UK. However, until now, it has not managed to break into terrestrial television former eastern bloc after bid ing unsuccessfully for licences or channels in Poland and the Czech Republic.

former eastern bloc countries to liberalise its broedcast media - e sector which has attracted strong interest from international media companies. It took the country's political parties more than five years to agree on a post-communist media law ending the The Hungarian authorities stete's near monopoly in broadcast media and establishing a new regulatory framework for the sector.

Under e law passed last December, the state intends to sell off concessions for frequen-cies for two television stations. one of which is unused, and for several radio stations.

MTV1, the main national channel, which last year attracted 50.3 per cent of television viewing and 72.1 per cent of television advertising spending, is dus to stay in state

Several other international media companies are also expected to bid for the MTV2 concession. These include Central European Msdia Enterprises, part-owned by Mr Ron-ald Lauder, one of the heirs to the Estée Lauder cosmetics group. CME launched Nova-TV, the region's first private nationwide commercial channel in the Czech Republic in 1994 and recently added commerciel channels in Romania and Slovenia.



INTERNATIONAL COMPANIES AND FINANCE

AMERICAS NEWS DIGEST

Sears, Roebuck to pull out of Prodigy

Sears, Roebuck, the US retailer, said it was planning to sell its 50 per cent stake in Prodigy, the third largest computer online information service, confirming widespread speculation. IBM. which also holds a 50 per cent stake, is believed to have been seeking control of the Prodigy joint venture for some time. It was not clear yesterday whether IBM would now make an offer for Sears' stake.

Formed in 1984 - and formally launched as a US nationwide online information service in 1990 - Prodigy has been a difficult partnership, industry analysts said, because of the differing goals of IBM and Sears. Whereas IBM views Prodigy as part of its broad Internet strategy, Sears' interests had been focused on electronic ahopping.

Mr Arthur Martinez, Sears chief executive, told financial analysts yesterday that Prodigy did not fit into Sear's long-term plans. Prodigy is the third largest consumer-oriented online service, after CompuServe and

America Online, and had about 1.3m subscribers at the end of June, an increase of 11 per cent over the previous six months, according to Simba Information, a US market research group.

Louise Kehoe, Son Francisco

Sprint quits Polish project

Sprint International, the US telecommunications operator has decided to withdraw from a \$165m private fixed telephone line project with RP Telekom in Poland after a two-year involvement. Telia, the Swedish national operator, will take Sprint's place in the project which is backed by the International Finance Corporation (IFC) and a consortium of western banks, including ING of the Netherlands, Dresdner Bank of Germany and Société Générale of France.

Sprint's decision was prompted by RP Telekom, Poland's largest privately-owned fixed-line operator, which is the US company's partner in SRPT, the joint venture set up to build and operate the local networks. Sprint's severance agreement with RP Telekom is described by analysts as "mutually beneficial" and follows "a divergence of the strategic

Sprint recently set up Global 1, an international alliance with France Telecom and Deutsche Telekom, while Telia and RP Telekom last year set up Netia, a \$383m joint project to construct and operate 350,000 fixed lines in 10 regions. The IFC, which committed \$7m as equity investment in SRPT as well as \$25m worth of loan financing, has said it would Christopher Bobinski, Warsaw continue with the project.

Delta in deal with unions

Shares in Delta Air Lines, the third biggest US carrier, rose \$1% to \$75% in early trading yesterday after the company announced that it had reached what could turn out to be a landmark cost-cutting deal with representatives of its pilots union. However, the deal still has to be ratified by the union leadership and submitted to the membership for a vote. The agreement – reached after a year of collective

bargaining that included eight months of federal mediation — will cut the pay of Delta's pilots by 2 per cent for two years and provide for the early retirement of at least 500 pilots who are 50 years old or more, so enabling the airline to make further progress towards its goal of reducing operating costs by \$2bn a year by June 1997. In return, the pilots will get options to acquire 10m Delta shares and a non-voting seat on the board.

The deal also clears the way for Delta to launch low-cost, no frills services on routes where the competition is fiercest by paying pilots lower wages and requiring them to work longer Richard Tomkins, New York

Paramount puts Viacom under pressure

By Tony Jackson

Viacom, the US media group, saw continued pressure on its Paramount film studio in the fourth quarter, with earnings from the entertainment division down from \$22m to \$1m. There was also a 33 per cent drop in earnings from the Blockbuster video chain, to \$107m. Group earnings were down 8 per cent at \$280m. Last month Mr Sumner Red-

stone. Viacom chairman and

Mr Biondi's alleged slowness in tackling Paramount's problems. Viacom acquired Paramount for \$10bn in March 1994. The company said yesterday that feature film revenues were up 6 per cent in the quarter, although this was more than offset by weakness in video games. Entertainment

revenues were down 1 per cent

at \$907m, while cash flow fell

44 per cent to \$37m. Mr Red-

stone said Paramount had

ing Mission Impossible with Tom Cruise and Star Trek Generations II. The broadcasting division, which includes the MTV and

Nickelodeon cable channels. raised its revenue by 11 per cent in the quarter to \$601m. while cash flow rose 22 per cent to \$194m. This was due mainly to higher advertising revenue and affiliate fees at the cable networks.

The video, music and theme

per cent to \$886m in the quarter, but cash flow fell 15 per cent to \$184m. Viacom said this was mainly due to increased amortisation on rental tapes, which it treats as an operating cost. Blockbuster added a net 214 new stores in the quarter, and same store sales rose 8 per

The publishing division, which includes Simon & Schuster, raised revenues 17 per cent in the quarter to \$570m, while

Earnings per ADS** (New Pesos, bn)

missed Mr Frank Biondi, chief had started 1996 strongly, with chiefly of Blockbuster. \$82m. Sales were helped by executive, citing as one reason scheduled film releases including increased its revenues by 19 strong sales of higher education texts and consumer books. Last year's acquisition of the Educational Management Group accounted for 15 per cent of the rise in cash flow.

For the full year, Viacom made a net loss of \$49m on its 49.9 per cent stake in Discovery Zone, which runs a chain of children's play centres. This compares with a \$30m loss at the nine-month stage. Discovery Zone warned earlier this month that it might be forced into Chapter 11 bankruptcy.

Ball Foster 30%

ms Brockway 42%

Oracle and Verifone in Internet commerce venture

By Louise Kehoe in San Francisco

Oracle, the leading database software company, and Verisoftware company, and verifone, the largest supplier of credit card verification systems, have formed an alliance to develop an "end-to-end" system for secure electronic commerce on the Inter-

The system will incorporate software for use by consumers, merchants and banks to conplete transactions using a range of payment methods including credit and debit cards, smart cards and electronic cash.

Other software companies have also announced technology to enable secure electronic commerce. Oracle ciaims, however, that it will be first to provide all of the systems needed to complete transac-

tions as they occur.

The Oracle-Verifone system will incorporate an "electronic wallet" built into an Internet browser, software for use by electronic merchants to handle payments and a "gateway" to link Internet transactions i bank's existing computer

systems. Wells Fargo Bank sald it planned to use the system, which is expected to be complete by the third quarter of this year, to enable its mer-chant customers to process Internet payments.

"Internet commerce is a trickle today but will rapidly become a torrent once the issue of bandling large volumes of transactions is solved, said Mr Dudley Nigg, executive vice-president of Wells Fargo.

Concerns about the security and privacy of Internet trans-actions have been a barrier to electronic commerce. However, with the recent announcement by Visa International and MasterCard, the two leading credit card companies, of a standard security system for Internet payments, "the payment security issue is now largely behind us," said Daniel Dombey | Mr Roger Bertman, vice-president of Verifone.

parks division, consisting cash flow rose 92 per cent to controlling ahareholder, dis-"regained momentum" and Competition may shatter Vitro's pride

Operations abroad are a headache for Mexico's

glassmaker

7 itro, the Mexican glass manufacturer, is steel-ing Itself to fight not only competitors but internal

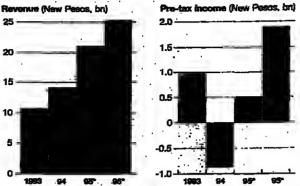
The company's current problems stem from foreign operations – which had been thought to signify the company's arrival as an international player - and from peso-based financing that has failed to keep in step with dollar-based

As one of Mexico's most traditional corporations, predominant in several sectors, it has also been slow to respond to the opening of Mexico's econ-

Its core operations remain reasonably strong, despite the crumbling of the Mexican domestic economy following tbe 1994 peso devaluation. Exports, which are mostly flat glass sales to US car manufacturers, rose 18.5 per cent to \$520m in 1995, according to the

Executives argue that if the currency had not tumbled once more at the end of the year, operating cash flow for 1995 would stand close to the \$600m generated the previous two

However, the weakness of the peso and a jump in interest rates are expected to bite into fourth-quarter profits, due in the next few weeks.



Vitro will soon face its first significant competition at ome – most notably from the French manufacturer Saint-Gobain, which will be starting up a car-glass factory this year

general in Mexico City. anufacturers such as Celanese, Shell and Eastman are also planning to increase their production of PET, a plastic sub-stitute for the glass bottles Vitro sells to soft drink compa-

with a capacity of 500,000 car

sets a year, and a second, flat

glass factory in May 1997.

"There's certainly room for a competitor," says Mr Alain De

Metz, Saint-Gobain director-

However, Vitro's market share in flat glass and glass containers in Mexico is so large - a near monopoly - that such developments are unlikely to make much of a dent on profitability in the short term.

Foreign subsidiaries pose

more of a problem. Last month, Vitro announced a restructuring of its troubled US glass containers subsidiary, Anchor Glass, merging it with the Mexican operations in the same market.

Vitro's 1989 hostile takeover

of the company, now the US's third-largest glass container manufacturer, for \$900m, had been a source of pride - one of the first Mexican purchases of US producer in preparation of free trade between the two countries. But demand has contracted unexpectedly, and Anchor Glass's present operat-ing margin of about 2 per cent is much lower than its rivals.

A more serious constraint is Vitro's financing. Total liabilities stood at 18,2hn pesos (then \$2.8bm) at the end of September, and are overwhelmingly in pesos. Sales for the first nine months of 1995 were 14.4bn pesos (\$1.9bn at current rates).
"It is too tight, it lacks flexibility." says Mr José Antonio López, head of financing and

ing cash flow allow the company to meet its obligations and maintain capital expenditure of about \$200m a year, but little else beside, certainly not enough to support associated companies such as Cydsa, a textile company, and Grupo Financiero Serfin, which owns the country's third-largest

95

development, who says that

levels of about \$600m in operat-

"We either increase our cash flow by about \$75m in the short term, or we decrease our debt by about \$500m over the next two years. There might well be a combination of the two," says Mr Lopez. But with only sluggish Mexican growth expected for 1995, increasing cash flow may be difficult.

s for decreasing debt, Mr López would like to make an international public offering for about 10 per cent of the company, but the current low levels of the stock preclude that option. "If we

can steadily get debt down then we'll definitely be open to some kind of sell-offs." he says, although be is unwilling to provide specifics.
"One of the problems with Vitro is that its peso debt is

can't show the market that we

not linked to its dollar income," said Mr Luis Villalobos, head of research at Citibank in Mexico City. At present, the company is extremely vulnerable to Mexican interest rates, which in real terms are twice the level of their US counterparts and represent a constant drain on revenues, which may come from exports, Anchor Glass, or Vitro's other US operations.

More details on financing plans may emerge soon, in the wake of the positive, if muted, reaction to Anchor Glass's restructuring. But many battles lie ahead if the company is to break out of its legacy of the past few years.

COMPAGNIE FINANCIÈRE OTTOMANE SA

Annual general meeting 1996 Notice of meeting

The annual general meeting for the year 1996 of Compagnie Financière Ottomane SA will be held on Wednesday 15 May 1996 at 11.30 am at Banque Paribas Luxembourg, 10a boulevard Royal, Luxembourg to transact the following business:

- To receive the report and adopt the audited accounts for the year ended 31 December 1995.
- 2. To approve the proposed distributions.
- 3. To discharge the directors and auditors. 4. To re-elect Monsieur Jacques de Fouchier, Monsieur Christian
- Manset and Sir John Smith as directors. To reappoint Deloitte & Touche as auditors.

Monsieur J Winandy, Secrétaire Général Compagnie Financière Ottomane SA 23 Avenue de la Porte Neuve L-2227 LUXEMBOURG

To attend the general meeting, holders of bearer shares must deposit their shares at least 10 days before the date fixed for the

In Luxembourg at the head office of the company at the above

In London, at Ottoman Financial Services, King William House, 2A Eastcheap, London EC3M 1AA.

In France, where shares are deposited with SICOVAM, shareholders must advise the blocking of their shares through their deposit agent either to Banque Paribas, 3 rue d'Antin, 75002 Paris or to Compagnie Financière Ottomane, 7 rue Meyerbeer

The report and the accounts which will be presented to the general meeting are available to the shareholders at the head office in Luxembourg and at the offices in London and Paris. 22 February 1996

If you work with petroleum. this is the nest excuse in the world to go to Rio.

INTERNATIONAL CONFERENCE THE NEW PETROLEUM REGULATION IN BRAZIL.

Brazilian petroleum authorities will explain how to enter one of the biggest oil markets in Latin America, finally open to international investors.

March, 4th, 5th and 6th. Rio de Janeiro, Brazil

Raimundo Mendes de Brito (Minister of Energy) Mário Henrique Simonsen (Ex-Minister of Treasury) Joel Mendes Rennó (President of Petrobras) João Pedro Gouvêa Vieira Filho (President of Sindicom) Willem Goebel (President of Shell - Brazil)

Enroll now. Registrations are limited.

Instituto Brasileiro de Petróle



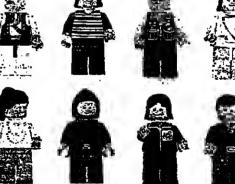














Every day, we help thousands of people like Zoe fight cancer.

Give people with cancer a fighting chance Over 90p in every £1 donated goes directly into our vital rese I would like to make a donation of E (Cheques payable to: Imperial Cancer Research Fund) or charge I ______ to my Access/Visu/Ames/Diners/Charity Card No. Mr/Mzs/Miss/Ms

Imperial Cancer Research Fund

Address

Please return your donation to: Imperial Cancer Research Fund FREEPOST (WC4066/3) London WC2A 3BR



SALTO CAXIAS HYDROELECTRIC **POWER STATION**

INTERNATIONAL COMPETITION C-310 GAS INSULATED SUBSTATION DELIVERY DATE POSTPONEMENT COMPANIA PARANCENSE DE ENERGIA - CUPEL - Informs their

the dalivery of the qualification documents and price bid for the International Competition C-310 - Gas Inculated Substation - was postponed to April 09, 1998, at 2:00 p.m., Rua Voluntários da Pátria, 233, ground floor.

THE TOP OPPORTUNITIES SECTION

PARKER PENAMERNSE OF ENERGY

For senior management positions. For information please contact:

> Robert Hunt +44 0171 873 4095



likely to be your average neighbourhood slob with a grubby vest and a weekend's stubble on his chin. And the real refugee could just as easily be the clean-cut fellow on his left.

You see, refugees are just like you Except for one thing.

character you're looking at is more

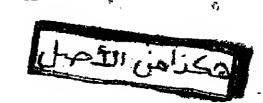
Obvious really.

unless we all extend a helping hand. We know you can't give them back the things that others have taken away.

We're not even asking for money (though every cent certainly helps). But we are asking that you keep an open mind. And a smile of welcome. It may not seem much. But to a

refugee it can mean everything. UNHCR is a strictly humanitarian organization funded only by voluntary contributions. Currently it is responsible for more than 19 million refugees

around the world. UNHCR Public Information P.O. Box 2500 1211 Geneva 2, Switzerland



Y PEHRUARY DR

Pire

Wolters W Kluwer

has acquired

CCH Inc.

for the financing of this transaction a

\$ 1,900,000,000

364-day bridge loan has been provided by

ABN AMRO Bank N.V. Deutsche Bank de Barv N.V. ING Bank N.V. Rabobank Nederland Union Bank of Switzerland

> financial advisor to the borrower MeesPierson N.V.

February 21, 1996.

INTERNATIONAL COMPANIES AND FINANCE

NEWS DIGEST

Pasminco registers sharp improvement

Pasminco, the world's large zinc metal producer, yesterday posted a sharply improved first-half result, despite slightly lower prices. It made an after-tax profit of A\$20.2m (U\$\$15.3m) in the six months to end December, compared with A\$6.5m a year earlier. Gross revenues rose from A\$543.1m to A\$645.9m, while earnings per share stood at 2.5 cents, against 0.8 cents. Although the 1994-95 profit appeared slender, it helped the company to a net A\$12.2m surplus for the full year - the first time Pasminco has been in the black since 1990. The company welcomed the latest figure as "a further step in the steady profit improvement", and its shares gained 3 cents to close at profit improvement", and its shares gained 3 cents to close at

During the most recent half-year, Pasminco said the zinc price, in US dollar terms, had been "marginally lower" by some US\$26 a tonne, with the slightly stronger exchange rate against the US dollar also impacting unfavourably on earnings. Zinc and lead metal production from its Australian smelters increased in the six months, but the rate of production from Bodel Zink in the Netherlands was marginally lower. There was also lower mine production of zinc and lead in concentrates.

The group said it was cautious about the outlook: "While global demand for zinc remained firm during the secood half of 1995, stock levels of the London Metal Exchange declined at a steady rate. Demand conditions have, since year-end, shown signs of weakening, and the pace of stock declines on the LME

The company sounded a brighter note on the lead front, where demand remained firm.

Nikki Tait, Sydney where demand remained firm.

Kersaf Investments climbs 34%

Kersaf Investments, the South African leisure and casino group, reported a 34 per cent rise in attributable income to R138.6m (\$35.8m) for the six months to December 31. Earnings per share before an exceptional item rose 16 per cent to 147 cents, compared with 126 cents last year. However, this increased to 167 cents with the inclusion of an exceptional R16.7m net profit from the sale of half the group's convertible debentures in the City Lodge hotel chain. The interim dividend was 80 cents a share, compared with 72 cents.

A surge in overseas visitors at South African Sun International and City Lodge botels, and strong trading at the Paradise Island resort in the Bahamas lifted turnover 10 per cent to R1.4bn. These gains offset a R6.5m increase in interest payments and a R75.4m tax charge payable for the first time as Sun International resorts in former self-governing homelands fell within the national tax net.

Mark Ashurst, Johannesburg

Setback for Thai broker

Securities One, a large Thai brokerage company and part of the One Holding group of companies led by Mr Pin Chakkaphak, reported a 17 per cent fall in net profit to Bt843.2m (\$33.4m) in 1995 from a year earlier, A full balance sheet was not released, but the sharp fall, which analysts had predicted, reflected the same problems all Thai finance and securities companies faced in 1995; low market turnover, which burt commissions, and a bearish stock market, which made their mark on companies' own trading accounts.

The profit decline at Securities One was smaller than those suffered by other finance and securities companies. Broker H. G. Asia predicts that earnings in the sector as a whole were likely to decilne an average of 25 per cent year-on-year. For example, profits at Dhana Siam, the country's second largest finance and securities company, fell 26 per cent to Bt1.42bn in 1995. Third largest Phatra Thanakit saw its profits fall 20 per cent to Bt1.91bn, while fourth largest Asia Credit posted a 28 per cent profit decline to Bt824bn.

Analysts said those companies in the sector with a higher exposure to the securities side of the business were in general hit harder than those with balance sheets dominated by the more stable but less incrative finance side.

An exception was those companies which had a large amount of hire purchase loans and credit extended to the property sector, such as CMIC and Union Asia respectively. Both sectors are extremely sensitive to rises in domestic interest rates, a recurring phenomenon in 1935, because hire purchase loans are granted at a fixed rate while the property sector is highly geared.

Egco sales steady in fourth term

Results from the first full year of operations at Electricity Generation Co (Egco). Thailand's largest privately-owned power producer, have provided a boost to the company ahead of its road show for a public offering, scheduled to begin later this week. Fourth-quarter revenue beld steady at Bt965m (\$38.3m), indicating that the company's 1,200 megawatt power plant in Rayong has been running smoothly at about 84 per cent of capacity, according to brokers Merrill Lynch.

Gross margins dropped to 55 per cent in the fourth quarter from more than 60 per cent earlier this year. Analysts said the decline was healthy as it reflected almost Bt300m in ongoing maintenance costs at the plant, necessary if it is to have an uninterrupted stream of revenue. The bulk of the funds expected to be raised during the company's share placement will be used to buy a Bt20bn, 824 megawatt power plant in southern Thailand. Other funds will be used to repay loans, which is likely to reduce interest costs to the company this Ted Bardacke

Coles to integrate two units

Coles Myer, Australia's biggest retailer which has been beset by executive departures and corporate governance issues recently, is to "integrate" the management of its Fosseys and Target chains. Both are discount store businesses, with Fosseys' 152 outlets mainly focused on rural locations, and Target's 104 tending to be in metropolitan areas. Both retail brands will be retained.

Japanese brewers hurt by drop in consumption

Japan's three listed brewers, Kirin, Asahi and Sapporo, finished 1995 with a bangover, caused by declining beer consumption and a price war.

Kirin, the market leader with just under half of domestic consumption, yesterday reported a lacklustre year in which it said overall Japanese domestic spending on beer fell 6 per cent.
Consumption alipped in an unusually cool summer. A

aharp rise in imports, by

almost 11/2 percentage points in an estimated 6 per cent of the market, according to industry figures, intensified an already fierce battle for share of a mature beer market.
Kirin's unconsolidated sales for the year to December fell

cent fall in recurring profits -before tax and extraordinary
items -- to Y75.27bn.

0.5 per cent at Y870.5bn.

Like Kirin, Asahi expects a
modest recovery this year, to

Kirin's beer sales fell 5 per cent to Y1,340bn, while phar-maceutical sales, a diversificasales of Y873bn and recurring tion which accounts for just 2 per cent of turnover, rose 12.8 per cent to Y80.1bn. Kirin expects a modest nverall recovery in the current year

Sales and profits at Asahi, Japan'a second largest brewer with about 30 per cent of the domestic market, outperformed Kirin, partly helped by the resilience of demand for its dry beer brand.

to next December, to recurring

profits of Y78bn, on sales of

slightly less than the domestic Inwer interest rates and finanmarket, by 4.5 per cent to cial asset write-downs. Sales Y1.379bn (\$13bn), on a 21.2 per were virtually stagnant, down

profits of Y22bn. Asahi also announced yesterday that it planned to take advantage of last year's government deci-sion to suspend tax nn share buy backs and spend up to Y10bn in repurchasing up to 8m of its own shares. By reducing the number of shares oo the market, this could support Asahi's share price. The smallest of Japan's listed brewing trio, Sapporo, with almost 20 per cent of the

market, reported a 0.6 per cent fall in unconsolidated recurring profits to Y14.31bn, on However, Asahi's 1.4 per cent sales down 1.7 per cent to rise in unconsulidated Y620.15bn, Sappore said it recurring profits to Y21.74bn was mainly attributable to expected a relatively strnng recovery in recurring profits, up by almost 12 per cent to Y16bn, on sales up 2.4 per cent

NAB confirms purchase of 5.8% interest in St George

Australian banks

Share prices relative to the All Ordinaries Index

St. George

96 Feb

National Australia Bank, Australia'a biggest banking group, yesterday confirmed it was the "mystery buyer" of shares in St George Bank, the Sydney-based regional concern It added that it had amassed a 5.8 per cent stake in the smaller institution.

But NAB - which also owns the Yorkshire, Clydesdale and Northern banks in the UK and recently acquired Michigan National in the US - said it would not be making a full takeover bid for St George "in the short term".

"The investment . . . is a prudent step to ensure that NAB preserves its strategic objectives," said Mr Don Argus, chief executive. "St George Bank has a strong New South Wales franchise with an attractive customer base in what we believe is an important Australian market." He said NAB would not be

seeking board representation operating relationship. But he appeared to be making a pitch for the freedom to forge a cloaer union at some stage when he added that changes in technology meant it was "critical that Australian banks are of St George acceptable.



not hampered by industry competition restrictions which fail to recognise developments in the global financial services marketplace'

Although NAB is the country's biggest bank, recent rulings on takeovers in the banking sector hava always appeared to give it the possibility of acquiring St George. The competition authorities hava have at least one regional the uncertainty was resolved, banking competitor, as well as the big four national banks. In NSW, Advance Bank is a strong regional competitor, which could make a takeover

As a result, there was imme diate speculation that NAB was behind that buying of St George shares earlier this week. However, there was puzzlement yesterday over wby NAB was moving so slowly unless it wished to see the out come of the March 2 federal election, which could prompt

ing mergers. and welcomed NAB on to the register. Its shares ended 31 cents higher at A\$8.69, capitalising the bank at about A\$1.7bn (US\$1.3bn). NAB shares fell 24 cents to A\$12.10.

more relaxed attitudes to bank

Petroleum merger helps Caltex and Pioneer increase dividends

Dividends from Australian Petroleum, the company formed last year by a merger of the petroleum operations of Caltex Australia and Pioneer International, lifted payonts at both parent companies.

Australian Petroleum paid both 50 per cent shareholders a final dividend of A\$34.5m (US\$26m) for the half-year ending December 31, after paying A\$11.7m for the six months to June 30. Profits were shared from January 1 last year, although the merger officially took effect on May 8, after approval by Caltex sharebold-

The merger has so far met or exceeded targets, both companies said. Synergy savings of about A\$550m are expected in

the US, announced a doubling of its dividend to 22 cents, despite net profits slipping to A\$42.6m for the full year from A\$58.6m in 1994. Earnings per share were 23.6 cents.

Caltex made the transitinn during the year from a trading to a holding company, of which the main assets are a 50 per cent stake in Australian Petroleum, and a 52.25 per cent stake in the Bayswater Colliery Joint Venture, held through Caltex Coal.

Mr Malcolm Irving, chairman, said the Bayswater colliery was operating profitably, bnt profits at Caltex Coal were bit by interest charges and payments to cover a shortfall in the coal industry's long service leava fund.

Pinneer International, which the next few years. The company has already reduced staff by 700, and has disposed of 140 depots and 200 service stations.

Caltex Australia, 75 per cent is primarily a building materials group, announced a record profit of A\$134.3m for the six months to Dacember 31, up from A\$138.6m a year earlier. is primarily a building materials group, announced a record profit of A\$134.3m for the six

to 9 cents, on earnings per share of 15.1 cents.

Dr John Schubert, Pioneer's managing director, said tha improvement was prompted by a 27 per cent increase in earn ings from the group's overseas building interests. However, he warned that full-year results were likely to show e slight decline due to a flat building market in Australia and a harsh winter in the northern bemisphere. Earnings from Australian building meterials fell 36 per cent to A\$60.9m in the first half.

Pioneer waa left with reduced debt and substantial cash in hand after the merger of its petroleum division, Ampol, to form part of Australian Petroleum, and so expan ded its development and acqui sition programme in the half year. It expects in spend A\$750m on capital investment in existing businesses over the next three years.

owned by Caltex Petroleum of The dividend was raised 1 cent

By Bethan Hutton in Sydney

US\$100,000,000 FLOATING RATE DEPOSITARY RECEIPTS DUE 1997 ssued by The Law Debenture Trust Corporation pic evidencing nutriement to payment of principal and interest on deposits with HIN IL

Banca Nazionale del Lavoro

Notice is hereby given that the Rate of interest for Coupon No. 43 has been fixed at 5.5% pa and that the interest payable on the relevent interest Payment Date, May 22, 1996 in raspect of US\$10,000 numinal of the Receipte will be US\$137.50 and in respect of US\$250,000 nominal of the Receipts will be US\$3,437,50.

vice-president of the court was appointed to make enquiry end present a report. 1st July 1996 on the commercial situation of the BUGATTI COMPANY INTERNATIONAL S.A.H.

On February 14th, 1998, Me Jean BRUCHER, Lawyer, of 10, rue Pleme o'Aspell, L-2016 Luxembourg, has mission to prapare a report regarding the commercial situation of tha compeny BUGATTI INTERNATIONAL S.A.H.

Oeclarations regarding credits and claims ageinst the company BUGATTI INTERNATIONAL S.A.H. should be sent to the registrar of the Commercial Court of Luxembourg at P.O. Box 15, L-2010 Luxembourg.

und as on lations & Crestop de Dense Publicies on the Republic of Liaby)

London Branch

February 22, 1996 London By: Clithenk, N.A., (Issuer Services), Agent Benk

General Motors Corporation

European Investment Bank Floating Rate Notes due 2002 In accordance with the provisions of

that the Rate of interest for the six month period ending 21st August, 1996 has been fixed at 4.0625% per annum. The interest accruing for such six month period will be ECU 102.69 per ECU 5.000 Bearer Note, and ECU 2.053.82 per ECU 100.000 Bearer Note, on 21st August, 1996 against presentation of Coupon No. 9.



the Notes, notice is hereby given that the Rate of Interest for the six Interest Rate 5.89644 per: Interest Payment due 22nd August, 1996 per US \$10,000 Note US \$298.20 Nippon Credit International Limited

Agent Bank

ADJUSTMENT OF THE CONVERTIBLE BONDS 6 % MARCH 1993 AND 4.5 % APRIL 1995 CONVERSION RATIOS, AND OF THE BONDS REDEEMABLE IN SHARES 4.5 % OCTOBER 1995 REDEMPTION RATIO

AXA's Board of Directors, in connection with its increase of capital which subscription period commenced on January 26, 1996 and ended on February 8, 1996 inclusive, decided on January 16, 1996 to suspend the exercise of the 6 % March 1993 and 4.5 % April 1995 conversion rights from February 3, 1996 until February 20, 1996 inclusive.

Further to this increase of capital, and in order to protect the rights of the holders of such convertible bonds and of the October 1995 bonds redeemable in shares, in accordance with their respective terms and conditions, the holders of such bonds are informed that the conversion and redemption ratios are adjusted as follows:

- 6 % March, 1993 convertible bonds: the conversion ratio of 5 shares of FRF 60 numberal value each for 1 convertible bond is

increased to 5.15 shares for 1 convertible bond, - 4.5 % April, 1995 convertible bonds :

the conversion ratio of 1 share of FRF 60 nominal value each for 1 convertible bond is increased to 1.03 share for 1 convertible bond, - October, 1995 bonds redeemable in shares: the redemption ratio of 65,445 shares of

shares for 1 bond redeemable in shares. The holders of 6 % March, 1993 convertible bonds and of 4.5 % April, 1995 convertible bonds may ask for the conversion in shares of their convertible bonds from February 21,

FRF 60 nominal value each for 1 bond redeemable in shares is increased to 67,408.35

1996 in accordance with the new conversion ratios as indicated hereabove. The legal notice is published in the Bulletin des Annonces Légales Obligataires dated

		its for the year				
		t Ousaness Torkes		g Busmens Turkey	Total Group Result	Total Gree Result
	1995	1992	1995	Diller	1995	7004
	PRETONG	FRF 'Osta	FRETUNI	FRF 000	FRF U00	PRFOO
Net unterest income	8.684	121,5801	169.164	269.571	177,848	247.99
avestment weather	4.305	30,342	146,992	113.683	151,797	143,985
ions on sale of investments	95	139,8671	46,435	74,1776	46.530	34,204
aura on revaluation of				•		
aled investments	13,613	5,230			13,613	5,839
onunission income	454	1,143	40,997	36,125	41,451	37.268
ental income	8,696	4.544	119	48	8,815	9,646
areign currency games	21,547	32,477	28,312	99.616	49,859	132,082
ther			1.4988	114	1.084	_114
	57,894	17,507	433,107	593.233	491,001	611,140
perating expenses same for had and doubtful	19,248	21,646	161,256	182,958	180,504	204,004
ebes.	·		(4,673)	17.819	14,6731	17.819
perating profit before tax	38,646	(3,139)	176,534	392,456	315.170	369,317
invest tax	(2.622)	4.343	90,170	106,467	87,548	110,850
peration profit after current the	-1.763	(7.522)	1%6,354	285,989	227,622	278,467
eferred cas					119,5961	
et translation loss					(85,192)	1180.905
rofit after tax attributable to hareholders					122.834	97,962
Distributions proposed					27,500	69.167
Profit retained					PRF 45,334	FRF 28,795
Euraines per share					FRF 24.57	FRF 19,59
Capital Resources					FRF 1,187,515	FRF 1,142,183
Exclusion rate TL/FRF 12439 0 (199	2 7 146 761					

Dividend of FRF 14110 per share - Coupon 123 Founders' States @ FRF 17, 361 per share - Coupon 66 11994; FRF 15,432 per share: 3,333 The completenal net profit for the year similarities to sinucholders after taking from FRF 47.962 million to 1944 to FRF 122,534 million.

Whilst bearness conditions stabilised in the first half of the year following the 1994 financial cruss, political uncertainty stereased again during the second half year. The ner making result of the Tunksh braking subsidiary, Owneds Bankeri, in feed currency between 12, 2002 billion in 1994 to TL 2,336 billion to 1995. The militation rate macking accretion and the TL/EFE exchange rate fell, ending the year at TL 12,450 to the Fennach Prince composed with TL 7,145.78 at the 1994 year cod. At group level the profit cameribation of Ownersh Bankars wellects the net translation loss on shaneholders' furthe in Tuthey.

Outside Turkey, the investment performance was segenfrontly better them in 1942 but with lower yields. The full in interest income and increase at according pairs on fined investments, compared with 1944, reflects the investment who more liquid deposits and into the balanced fund memorand last year. The foreign currency gains arise from hedging positions taken during the year to protect part of the group fames invested in Turkey. The recovery of tax is in respect of 1954.

Petroleum Argus Daily Oil Price Reports TOSHOKU FINANCE NETHERLANDS a.V. US\$15,000,000 'All the spot price information you require for Global Crude Floating Rate Notes 1997 and Products markets' — Petroleum Argus — CALL NOW for a PARE TRIAL 144 1771, 359 979 22nd February, 1996 to 22nd August, 1998

> Established in 1975 OCRA has 20 offices world wide, 750 ready-made comparess available. For 100 page FREE colour brochure contact: compares available. For 180 page Hitte concur amounter consucci isle of Main D MUNIPPY, CA Tel: 441 1834 E15544 Fac: 441 1824 816657 | Committee | Included | Coder, 855, 761, 464 171 325 1996 | Picc 464 171 495 3017 | Picc 4852 28321199 | Picc 485

The Directors of Luthy Baillie Dowsett Pethick

have pleasure in announcing that on 7th February 1996

MR KOICHI WADA

was elected an Executive Director of the Board and a member of the Executive Committee of the Company

99 Gresham Street London EC2P 2BR

Tel: 0171 600 1739

Regulated by the Securities & Futures Authority

KRIGHT-RIDDER'S FUTURES MARKET DATAKIT FROM \$570 Optional Charles Ballware loci, its hest setting SuperCharts
 Kil Charle End-of-lay Poles Retrieval O 8 inti year of pure higher TP End-of-Day quote service
O INT Hones Burdeo
O INTERNET TO you of daily papered belones data on More between the Riseller Valid, 76 Flact Street, Leadon ECAY 1HY, Tet; +44 (0) 171 942 4983

FUTURES PAGER

CURRENCIES • FUTURES • INDICES MARKET NEWS & UPDATES 24 HRS A DAY

Freephone 0500 800 456 From outside UK 0171 895 9400

FREE 10 DAY TRIAL

LEGAL NOTICES BUGATTI INTERNATIONAL S.A.H.

By decision of the Commercial Court of Luxembourg of February 13th, 1996 the request for the appointment of e judicial administrator ("gestion contrôlée) filed by the company BUGATTI INTERNATIONAL S.A.H. with rapistered office at 3, rue Nicolas Petil, L-2323 Luxembourg was declard admissable and the 1st

> Motice is hereby given that resulting from the corporation's declaration of a dividend of \$0.40 corporation's declaration of a dividend of \$0.40 (gross) per chara of the common stock of the composition psyshie on 9th March 1996 there wijf become due in respect of the bearer depository monitors a gross distribution of 2.00 cm/s per enti. The depositary will give further notice of fee stocking approximate of the net distribution per unit psyshie on and after the 15th Marcia 1996. All claims much be accommoded by a completed claim form the dispositary. Claimers other than UK banks and specimen of the Stock Exchange must todge.

members of the Stock Exchange must lodge their bearer depositary receipts for marking. Postal claims cannot be accepted. Barolays Bank PLC BGSS London Counter Services B Angel Court, London, EC2R 7HT

Union Bank of Switzerland London Branch Agent Bank

19th February, 1996

Overseas growth boosts Commercial Union

By Ralph Atkins, Insurance Correspondent

Commercial Union, the largest UK-based composite insurer, yesterday made clear it was steering clear of seeking acquieitions in an increasingly tough home market as overseas business helped lift 1995 operating profits 14 per cent to £509m (\$784m). Pre-tax profits including realised investment gains and losses on the termination of activities, were £634m

against a restated £480m.

Mr John Carter, chief executive, said the emphasis was on international expansion by organic growth and new ventures, particularly in Asia and eastern Europe where CU has a life operation in Poland. CU is also looking to expand its Us business. Mr Carter's comments distinguished CU's strategy from that of rival insurers and other UK-based financial institutions.

"We are not out there looking for acquisitions," he said, and rebuffed suggestions that CU might bid for Clerical Medical, the UK mntnal life insurer which is up for sale.

Highlighting the tongher conditions at bome, UK general underwriting profits fell to £18m (£93m) with premium income dropping 11 per cent to £1.5m. As well as fierce price cutting. CU said aubsidence claims cost £26m more and the severe December weather brought £33m in claims.

CU estimated that recent bad weather could lead to up to £10m in claims. The bomb attack in the Docklands could result in losses of £5m but the burden of commercial claims of more than £100,000 would fall on Pool Re, the state-backed terrorism reinsurer.

Telephone sales was being kept low-key amid tough competition. The number of private cars insured fell by 13 per cent.

Outside the UK, profits were boosted by the inclusion of Groupe Victoire, the French insurer acquired in 1994. French operating losses of £8m swung to a £89m profit. However, CU admited life new business had been affected by restructuring as well as political and economic uncer-

tainty.

Operating profits were also higher in the Netherlands and the US. Mr Carter said: "Our widespread general insurance operations – with 69 per cent of premiums outside of the UK – and the stabilising effect of the group's life business, will be of increasing importance as the cyclical downturn in the UK takes effect."

Life profits were £87m higher

at £244m and total premium income was £8.65bn (£6.76bn).

The figures took account of the EU insurance accounts directive. Mr Peter Foster, finance director, said the move



John Carter: rebuffed suggestions of a bid for Clerical Medical, saying CU was not looking for buys

would introduce more consistency in the format of European insurers' profits. But the scope for individual companies to adopt different interpretations, particularly in the treatst

ment of investment gains "makes any true comparison still very difficult".

Zeneca to spin off its seeds business into joint venture

By Jenny Luesby

Zeneca, the life sciences group, is to spin off its seed business, with annual sales of more than £150m, into a joint venture with Royal Vanderhave, a unit of Dutch Sulker Unie.

The joint venture, to be based in Kapelle in the Netherlands, will be among the world's top five seed companies, with sales of £300m a year. Zeneca and Suiker Unie currently rank 10th and 15th in the £7bn-a-year world seeds industry, which is highly fragmented and offers poor returns.

Zeneca seeds had been making losses for some years. The spin-off would not affect the group's aim of restoring the

Section 1

business to break-even this

It would generate substantial savings – estimated by analysts at more than 10 per cent of the cost base. And it would bring gains through complementary seed breeding programmes.

Analysts yesterday welcomed the joint venture as part of a much needed bousecleaning exercise at Zeneca which was promised for this year, Other Zeneca businesses under review are the textile dyes and biodegradable polymers units.

However, the move represents a strategic shift within the group, as well as a drive towards greater profitability.

Put together in a series of

acquisitions in the late 1980s at a cost of more than £200m, the seeds business was intended to complement the group's fledgling biotechnology business by providing a sales base for genetically engineered seeds.

Zeneca said it remained committed to developing sncb seeds through its plant science business, which it is retaining. The joint venture would be one of several companies with which the plant science business would work.

Mr Pragnell said both companies would benefit from "critical mass" in a fragmented market.

The two commanies hope to

The two companies bope to proceed with the joint venture by the middle of this year.

Ashanti lists in New York

Ashanti Goldfields of Ghana, already quoted on the Accra and London stock exchanges, was listed on the New York exchange yesterday. At the same time, it announced it would issue \$175m of exchangeable guaranteed notes on terms still to be fina-

lised, writes Kenneth Gooding.
.The notes, dne on March 15
2003, are to be exchangeable
into Ashanti ordinary shares
or global depositary shares.
Joint lead managers are
Goldman Sachs International
(as global book runner) and

Barclays de Zoete Wedd.

Analysts said the funding of the Cluff Resources purchase might have compromised its potential to make further acquisitions.

Lloyds TSB still interested in deals

By Alison Smith,

The Lloyds TSB Group would consider buying another building society to add to Cheltenham & Gloucester, the former society which became its mortgage lending arm last summer. Sir Brian Pitman, group chief executive, said in an interview that the merger

chief executive, said in an interview that the merger between Lloyds Bank and the TSB Group, which took effect late in December, had not impaired the group's ability to make further acquisitions.

"If we could acquire another

building society at an acceptable price, to make us an even lower-cost provider than we are at the moment, then we'd be interested," he said. Sir Brian said that the £350m

annual savings which he had promised from the TSB deal by 1999 was a "conservative" figure. "We shan't deliver less, and we might deliver more."

The Lloyds TSB gronp is already the UK's third largest mortgage lender, behind Hallfax Building Society and Ahbey National, but Sir Brian's interest in buying a

Mr Derek Wanless, chief executive of National Westminster Bank, said this week: "We can't at the moment make the economic case for the acquisi-

society contrasts with the view

taken hy some other senior

tion of a building society, and so we have no intention to do

Apart from the high price a society might seek, the UK mortgage market is relatively flat and competition for new business is fierce.

Equally, it is doubtful whether any building society would want to be acquired by an organisation certain to cut back its branch network in the interests of lower costs. Lloyds TSB already has the most extensive high street presence of any bank.

Last week, Lloyds Abbey Life, the life assurance group mainly owned by Lloyds TSB, said it would be quite interested in bnying a mutual insurer. Sir Brian said Lloyds faced a dilemma in life assurance as to whether acquisition was a better way of expanding than organic growtb. "My guess is that if a mutual life assurer was going too cheaply, then someone would come in and spoil the party."

Despite his recent track

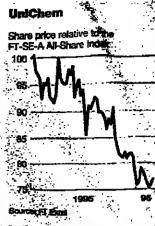
record of deals and attempted deals Sir Brian was clear about the virtues of expansion through investing in existing businesses.

"If we compare ourselves with some of the retail stores," he said, "so many of them have grown organically and grown very, very well without acquisitions".

LEX COMMENT

Lloyds Chemists

Shareholders in Lloyds Chemists must be reaching for the aspirins as they struggie to work out the relative merits of the two bids for the company. Yesterday's counter-offer from Germany's Gehe has one great attraction: it is a simple 500p-a-share cash offer. The rival cash-and-shares bid from UniChem requires greater analysis. In most battles, the bidder's share price comes under pressure. Uni-Chem's has rallied because the Lloyds deal offers the prospect of substantial earnings enhancement in the



1110

LOYDON F

.

first year. Applying the multiple that UniChem's shares traditionally enjoy to the prospective earnings of the combined group would have the effect of valuing Lloyds at 530p-550p a share – up to 10 per cent more than Gehe's 500p cash. Though UniChem's offer is still below that level, at one point yesterday it was within spitting distance.

day it was within spitting distance.

Unfortunately, such calculations only highlight UniChem's problem: its success will be entirely dependent on its share price. Any slide in its stock could have a snowball effect, reducing the value of the bid, which in turn would underunine confidence in UniChem's ability to clinch the deal and cause its share price to fall further. Given its volatility, this is not unlikely. And since Gehe's bid, unlike UniChem's, is not final, the German group could still strike a knock-out blow if UniChem seemed to be edging ahead.

Gehe's hand, strengthened by such technicalities, will be difficult to beat despite the merits of UniChem's

DIGEST

Vodafone sees slower growth

Vodafone, the UK market leader in mobile phones, expects profits growth to slow next year as a consequence of lower tariffs introduced to compete with digital services operators, especially Orange Communications.

Its average revenues per customer are already falling – from \$597 in 1995 to £431 this year – as the number of higher spending businesses is declining compared with lower spending residential subscribers.

Alan Cane

Mid-States warns on results

Mid-States, the US-based automotive parts distributor, yesterday said its 1995 profits were likely to halve after it lapsed into the red in the final quarter. The shares fell 6p to 33n.

Soft demand, competitive pressures and restructuring costs would affect pre-tax profits, which were likely to fall from £5.9m to £2.7m, the company said.

Motoko Rich

LBMS shares fall further

Shares in Learmonth and Burchett Management Systems fell a further 12p to 143p yesterday, after third quarter pre-tax losses which resulted in a nine month deficit despite profits at the interim stage. When the software company warned of the losses at the beginning of the month the shares fell 45 per cent to 177p. It hlamed weak revenues outside the US and a

shortfall in implementation and training revenues worldwide.

It was taking action, but warned of risks and uncertainties.

"The company continues to be susceptible to potentially significant variations in revenue and operating results."

Dependent parent behind child's bid

Tim Burt considers Sophus Berendsen's relationship with Rentokil

opbus Berendsen, the Danish services and distribution group which owns a majority stake in Rentokil, has defended the UK company's £1.8bn (\$2.8bn) hostile bid for BET and predicted the takeover would lift its own profits. Although the 190p a share cash and paper offer will dilute the Copenhagen-based group's stake in Rentokil from 51.8 per cent to about 36 per cent, the company said the enlarged group promised to daliver improved dividends and earnings per share.

Mr Hans Werdelin, chief

Mr Hans Werdelin, chief executive, said: "It is important to maintain the success story of Rentokil, and if that can be enhanced by buying BET, then we're for it."

In an interview, be rejected suggestions that the Danish company had been kept in the dark about Rentokil's intentions, saying that be had been kept fully informed of preparations for a bid.

He remarked: "Not reuch

He remarked: "Not much escapes your attention when you have had a majority holding aince the company was formed 70 years ago." Sopbus Berendsen, named

after its 19th century founder, set up Rentokil in 1927 as the UK offshoot of Danish Ratin, the Scandinavian pest control company. Since then, it has derived most of its profits from the rapid expansion of the UK husiness. In 1994, Rentokil contributed DKr 1.68bn of Sophus

Turnover 1994 Operating profit on continuis operations 1994

Electronics & Deta (17)
Power & Motion
Control

7,004
3,038
Rentokli Group
Total DKr 12,32bn

Total DKr 12,32bn

Total DKr 12,32bn

Berendsen's DKr 1.86bn operating profits.

The company will underline

the company will underline its dependence on the UK group when it announces its 1995 results in April, with profits growth expected to match the 21 per cent increase reported last week by Rentokil.

Shares in the Danish com-

pany, however, have fallen by almost 10 per cent since Rento-kil announced its bid, with daily turnover rising from an average of about 30,000 to 100,000 shares.

In Copenhagen, some analysts have blamed the fall on

In Copenhagen, some analysts have blamed the fall on concerns among Danish investors that the gronp's stock market rating could be downgraded if the bid for BET succeeded.

Mr Torben Sand of Svenska

Mr Torben Sand of Svenska Handelsbank said shareholders feared that once Rentokil became an associate rather than a subsidiary Sophus Berendsen would be rerated as an investment company rather than a distribution and eervices group.

"It means that Rentokil's profits will be treated only as associate income; without those contributions, operating margins will fall from 15 per cent to 48 per cent." Mr Werdelin rejected this view and said that the group's non-Rentokil operations were enjoying steady growth.

e admitted that Sophus Berendsen's financial performance was underpinned by Rentokil contributions. However, be added that the group was establishing a niche as one of the world's largest distributors of hydraulic components and

power transmission products.
Indeed, some analysts expect
the company to cut its stake in
Rentokil in order to fund
ther expansion in areas
as power controls and textile
services.
"I'm quite sure that two or

"I'm quite sure that, two or three years down the road, they will sell some of their equity to make acquisitions," commented Mr Tage Fabrin-Brasted of Kleinwort Benson Securities.

Mr Werdelin played down such prospects, saying that Sophus Berendsen intended to retain its Rentokil stake as a strategic investment.

He maintained that Rentokil had contributed more than enough cash to finance acquisitions by the Danish company in the past, and there was no reason why it should not continue to do so.

RESULTS	_	_	_							70	
Secretary Name And Secretary		ner (Euro)		÷tax t (tax)	82	S (p)	Current payment (p)	Date of payment	- Dividends Comeposing dividend	Total for year	Total lest
Commercial Pizza	14.2 8,647() 30.3 15.2 27.9 7.29 7.02	(15.6) (6,762[]) (28.5) (12.7) (22.5) (5.69) (9.36)	1.41 634 0.29 L 1.02 L 1.5 0.527 L 1.47L	(2.33) (480) (5.16-1) (1.33) (1.33) (0.471) (1.14L)	5.9 64.3† 1L 3.3 6.1 2.4† 6.8L	(9.8) (81.5) (28L) (4) (6.3) (3.1) (5.4L)	2.4 17.55 - 1 1.7 1.2† nE	May 8 May 17 Apr 26 Apr 10 May 7	- 3.6 16.29 - 1 - 1 1	4.8 28.25	6 26.4 3 - 1.3 2.5
Investment Trusts	MAX	/ (p)		rutatrie gr (Em)	9 :	5 (p)	Current	Date of	Corresponding	Total for	Total lest
F&C Enterprise Yr to Dec 31 Finabury IP writing e miths to Dec 31 Lazard Spacifor Yr to Dec 31 Scottlish Asian 6 miths to Jan 31	102.2 111 150.4 339	(82,9) (90.8) (140.7) (247.8)	1.53 0.218 0.165 0.156	(1.06) (0.226) (0.351)	1,63 0.73 1.43	(1.12) (0.75) (3.04)	Playment (p) 1.2 0.6 0.25	Apr 18 Mar 27 Apr 12	0.8 0.8 0.25	1.2 0.25	0.8 1.7 0.25
Earnings shown basic. Dividencis shown net. Fig capital. \$USM stock. &US currency. \(\document{\phi} \compa	inspires to	ackets are 1 12 months	от соттемро	onding period	. * Compa	ratives resta	tted. 🗆 Total p	remium Incon	ne. •After excep	tional charge.	†On Increased



Record profits

- 14% growth in pre-tax operating profit to £509m.
- Full year dividend increased by 7% to 28.25p.
- Strong profit growth from operations outside the United Kingdom.
- Life profits £87m higher at £244m.

2. The 1994 profit and loss account has been restated to reflect the change to a two year

London market business, which increased profits by £30m. The results of the operating subsidiaries of Groupe Vict consolidated for the first time in the fourth quarter of 1994.

Shareholders' funds up 30% to £4,074m.

		months 1995 audited	12 months 1994 Restated Unaudited
Total premition indoses Operating profit behave incomes Total by comment activities before tracelor Expelse any invested to characteristics: Operating carnings per perfections Cataland plus ordinates states Shanelopidens funds		65,647m 6509m 6534m 6434m 5225y 25,25p 64,074m	66.762m 1846m 6480m 6379m 5540p 26.40p 52.145m
1. Profit on ordinary activities before texation includes realised investment gains of the profit of the control of the contro	£130m	(1994 £45m)	and a net loss on

Full statutory accounts, which have not yet been reported on by the auditors, will be circulated to shareholders on 20 March 1996 and delivered to the Registrar of Companies after the Annual General Meeting which will be held on 16 April 1996. Copies can be obtained after 20 March 1996 from the Shareholder Relations Service at the address below.

Commercial Union plc, St. Helen's, 1 Undershaft, London EC3P 3DQ

Tel: 0171 283 7500 Internet: http://www.commercial-union.co.uk/cu/12mthrst.htm

وكنامن الأحرال

COMMODITIES AND AGRICULTURE

ELBRU JEAN DIM

the combined to the combined t

. V. Office Well Vision

in the star.

20 underm

this y so

..... នល់ស្រ

1 to 16

in in other se

--- o-tha

1. 14 to 10 W

79.25

- N

Section 1

ild's bid

with Rentokil

"Harrison product

and West expension of the control of

that no the same of the same o

1.1 FO 36

on results

A COURT

Taritorbay

LME lead prices climb to 5½-year highs

highest since Octuber 1990 on the London Metal Exchange yesterday. The cash position ended after hours "kerb" trading at \$785 a tonne, up \$7.

"There is general speculative and fund interest in lead, with people looking to establish long positions if they have not already done so," said Mr Robin Bhar of Brandeis. Prices

also reflected supply tightness that could intensify if cold weather in Europe and North America translated into a high rate of vehicle battery failures. But the latest Macquarie Commodities Report was more cautious about the short term price outlook. "We are very

hullish about lead's prospects

in the second half of the year,

battery season starts again," lt US was stronger than in said. "However, in the short Europe and Asia. term, if the physical market continues to ease and LME stock offtake slows, prices are likely to move lower. US-based huying belped to

days. Analysts said the outlook

the way," sald Mr Bhar. "They're more advanced in the business cycle." The buying helped to lift COPPER prices slightly during the afternoon and the three lift all base metals prices during the afternoon, repeating the trend of the previous few months position finished at

prices remained locked in a "The US seems to be leading

ZINC fell \$7 to \$1,047 after the market again tested sup-port at about \$1,043. Physical business in Europe was slow, with some traders talking of consumers looking to cancel \$2,482 a tonne, down just \$3 some frame contract orders. Compiled from Renters

edged up \$2 to \$1,625 a tonne as

Asarco begins Arizona test of 'in situ' mining technique

Mining Correspondent

Pilot scale testing has started in Arizona of a technique that may eventually provide a sub-stantial additional source of low cost copper and other met-

Dubbed "in situ" or "in place" mining, it involves injecting an ore body with a dilute solution of sulphuric

acid to leach out the metal.
"In situ mining bolds the promise of producing very high grade copper, with low costs and minimal environmental impact, from certain deposits that are too deeply buried and too low grade to be mined by conventional methods," said Asarco, the US intergrated

metals producer that is managing the project.
Asarco joined forces in 1988 with another US company, Freeport-McMoRan Copper & Gold to start the Santa Cruz In

Situ Mining Research Project

with financial belp from the

up \$15m of the \$20m budget so

Since then five production wells have heen constructed (one injection well and four for recovery) and four ground water monitoring wells. Envi-ronmental permitting was com-

pleted late in 1994. Construction of a small-scale facility to remove copper from the sulpburic solution and other preparations for acid injection were recently com-

pleted, clearing the way for the final test of the technology. This involves diluted sulpburic acid heing injected nearly 500 metres below the surface into undisturbed granite bedrock containing soluble copper oxide minerals. The solution is recovered through wells and pumped to the sur-face where it is processed and re-injected into the mining

zone in a closed loop. Copper is expected to build up gradually

in the solution. Asarco expects

that within a few weeks the

copper can be extracted in this way and if the mining tech-nique is economically feasible. The participation of the US government means the information gained from the project will he publicly available in the States. Asarco said that, if the test is successful, results

solution will be rich enough in

copper to begin extraction of the metal before the solution is

The test will last about two

years, depending on results. Data from the test will show if

reiniected.

could be used for larger scale commercial production at the Santa Cruz site, seven miles west of Casa Grande, and on other, similar copper deposits. Asarco does not expect the technique to revolutionise copper mining, however, because only deposits with particular characteristics lend themselves to this treatment. Nevertbeless, it hopes that the method might be used to recover other metals from deep deposits with

Indian cotton growers seek election bonus

when the main replacement for base metals demand in the

The farmers' lobby is pressing for further export quota releases, writes Kunal Bose

This is election year in India, so the country's farmers' lobby, unofficially led by Mr Balram Jakhar, a former agriculture minister, finds itself in a stronger position than usual. It could prevail upon the federal government to release extra cotton for export, in addition to the

610,000 bales (170kg each) already authorised for the current September-August season. Though such a move would win agricultural votes, bowever, it would anger the mill owners, who still insist that any decision on cotton exports

should await the release of the final crop estimate for 1995-96. The crop forecasting system in India is so weak that even now a dispute between the Cotton Advisory Board and the

trade over the opening stock for the 1994-95 season and remains unresolved. A few years ago when the government took the decision that India should export at least 500,000 bales of cotton annually to maintain its presence in the global market, the growers came to believe that the quota for export would be released at the beginning of a

prices at "remunerative lev-The quota for the current season has been released in four instalments. At the end of October, the government invited hids for the export of 100,000 bales of Bengal Deshi cotton, an unspinnable variety

season to keep domestic cotton

used mainly for stuffing. To provide an inceotive to the ginning and pressing factories that have been modernised, the government released an export quota of 100,000 bales of staple

cotton in November excln-

Maharashtra, Gujarat, Madhya Pradesh, Andhra Pradesh, Karnataka, Tamil Nadu, Punjab, Haryana and Rajasthan – and in the election year the government cannot afford to arouse

The industry does oot want to use imported cotton, bowever, as local fibre is at least 20 per cent cheaper. But Mr Mirani says that Indian farmers'

interest in cotton growing will the displeasure of the millions only be sustained if "they get

The government has to balance the prospect of winning agricultural votes against the resentment extra exports would cause among mill owners.

sively for them. Finally, earlier this month, pressed hard by the agriculture ministry, the textile ministry sanctinned the

export of 410,000 bales of cotton in two stages. ... Within the last amount there was an exclusive allocation of 100,000 bales of long staple and extra long staple cotton for the Cotton Corporation of India, a federal government undertak-ing. CCI is, however, free to compete with other state organisations and private trading houses to get allotment

from the remaining 310,000

bales.

According to the traders, the government quickness in sanctioning exports helped to arrest a fall in cotton prices that was causing concern in December and early January among farmers, who have committed 8.34m hectares to the crop in the current season. compared with 7.86m last year. Cotton is a major crop in at least nine Indlan states -

Precious Metals continued

SOLD COMEX (100. Troy oz.; \$/troy oz.)

Sett Day's

of growers by deferring a decision on exports for too long. So many traders say they will not be surprised if the government

makes further releases before the elections, which are likely to be held at the end of April. The nine major cotton growing states have nearly 50 per

cent of the seats of the lower

house of the Indian parliament.

ccording to Mr C.H. A Mirani, president Asso-East India Cotton Asso-metro's principal Mirani, president of the ciation, the country's principal trade body for the fibre, India should be aiming at an annual exports of 1m to 1.5m bales. In 1992-93 lt exported 1.38m bales but the following year saw a fall to 390,000. Last year, not only did export decline further to 183,000 bales, but India also had to import 450,000 bales. Farmers argue that as textile mills are free to import any

quantity of cotton without cus-

toms duty, they really do not

GRAINS AND OIL SEEDS

. WHEAT LCE (C per tonne)

Sett Bey's

have a case against exports.

the same prices as their counterparts in the other cotton growing countries".

In the meantime, the government's recommended mioimum support prices for cotton have lost their relevance as domestic prices are at least 70 per cent higher. Much to the relief of the government prices firmed up following the announcement of the additional export quota of 410,000 bales.

Reacting strongly to the liberal allocation of cotton for export, an official of the Indian Cotton Mills Federation said that there there was no justification for the move, especially when restrictions on the export of yarns remained. He thought that the rise in local cotton prices would throw many marginal textile units out of busi-

The finance ministry is reported, however, to be in favour of further liberalisation of the cotion export trade.

beginning of the season made a provisional cotton crop estimate of 14.3m bales, has since revised it twice - first to 14m bales and then to 13.65m bales. India is not reaping the full benefit of the additional land under the crop in the current season because of the late arrival of the monsoon and the unusually heavy rain that hit three major cotton growing states in October.

According to the EICA, the current season npened with stocks of 4.2m bales. Leaving aside the possibility of imports. the minimum availability of fibre during 1995-96 will be 17.85m bales. That should be enough to provide 11.9m bales for the textile mills. 550,000 hales for the small spinning factories, 950,000 bales for nonmill consumption and 610,000 bales for export. For India, the season's opening stock should he blg enough to meet the demand of the textile units for the first three and a balf months as the arrival of the new crop starts picking up from the middle of November.

Even if India allows the export of another 200,000 bales of cotton, there will be no shortage of fibre in the early part of the next season and there is no doubt that the textile mills will be importing some cotion for the batching requirement. So farmers do not see why the industry should begrudge them getting world prices for their cotion.

Thailand set to beat rice target

By Ted Bardacke in Bangkok

Thailand, the world's biggest exporter of rice, is likely to exceed its 5m-tonne rice export target in 1996, as growing world demand is combined with expected poor crops and poor commercial records in competitor countries, the Thai Farmers Bank Research Institute said in a study released yesterday. The study added that last

year's flooding in Thailand, the worst in recent memory. should dent the projected 1995-96 paddy harvest of around 21m tonnes hy only 0.4 per cent.

Thai rice exports in 1995 totalled 6m tonnes, the second best performance in history, after 1989's 6.14m tonnes.

Higher world rice prices had caused Thai farmers to sow more marginal land during the dry season harvest, expected to

63.625 +0.150 64.050 63.800 920 2.720 63.775 +0.200 64.250 63.350 3,855 35,081 62.175 +0.325 62.350 61.700 1,778 10130 67.875 - 62.225 61.800 1,024 9,477 62.850 -0.025 63.300 62.900 604 9,123 62.450 -0.050 62.750 62.425 540 4259

MEAT AND LIVESTOCK

■ LIVE CATTLE CIME (40,000bs; cents/fbs

yield 3.4m tonnes compared to 2.9m tonnes a year ago, the report said.

This added production would help replenish Thai domestic rice reserves, which stand at a low 420,000 tonnes compared to 630,000 tonnes at the same time last year.

The report claimed that Thailand this year was likely to reclaim part of the Chinese and Indonesian markets for rice after losing part of them in the past two years to Vletnam and Burma respectively. Vietnam would have trouble

meeting its official 2m-tonne rice export target, the report said, because of a consolidation in the country's rice trading industry after a barsh crackdown on illegal rice smuggling

and exports.

Burma, which expects 30 year high rice harvest of 23m tonnes in 1995-96, had lost some customers after it

defaulted on nearly half of Im tonnes of rice shipments it had promised to traders last year, Thai Farmers said.

The Burmese government has a rice target of 1.5m tonnes this year.

 Current high grain prices have not stopped poor countries from paying market, rather than subsidised prices, Mr Bill De Maria, assistant executive director of the International Grain Council, said yesterday reports Reuters.

"Their action is indicative of how rarely populations return to traditional staple foods once they have switched to cereals, especially wheat," he told Agra Europe's Outlook Conference in London.

As was usual when grain prices were high, its use for animal feed bore the hrunt of the drop in the world wheat and coarse grain crops, he

COMMODITIES PRICES

BASE METALS LONDON METAL EXCHANGE IN ALUMINIUM, 99.7 PURITY & per tonne Cash 1624-5 1618 5-9.5 1594-5 Previous High/low AM Official 1589-90

Kerb close Coon int. 1 for daily turnover ALUMINIUM ALLOY IS per tons 1382-5 1385-90 Close Previous High/low AM Official Kerb close 1350-2 Open int. Total daily turnover 1.377 # LEAD (S per tonne) 776.5-7.0 High/low AM Official Kerb close 777-8 35,437 6,688 Open int. Total daily turnover MICKEL (\$ per tonne)

8345-50 8340-50 8410/8310 8315-6 8380-90 Close Previous High/low AM Official 8230-40 Kerb close TIN (\$ per torme) 6270-75 6250-55 6320/6270 6275-80 6275-85 Close Previous High/low AM Official ziNC, special high grade (5 per tonne) 1045-5 1042-3 1027-8 .1002.5-3.5 High/low
AM Official
Kerto close
Open Int.
Total daily sumover 1055/1043 1047-7,5 1048-7

Close 2516-9
High/low 2500/2498
AM Official 2409-00
Karb close
Open Int.
Total daily turnover

1021 daily turnover

1021 daily turnover

1022 daily turnover

1023 daily turnover

1024 daily turnover

1025 daily turnover

1026 daily turnover

1027 daily turnover

1028 daily turnover

1028 daily turnover

1029 daily turnover

1029 daily turnover 2477-8 2475-8 2472-3 2481-2 III LIME AM Official E/S rate: 1.5410 LME Closing E/S rate: 1.5429 Spot: 1.5427 3 miller: 1.5394 6 miller: 1.5356 9 miller: 1.5316 # HIGH GRADE COPPER (COMEX)

1028.5-9.0

91,759 14,617

PRECIOUS METALS E LONDON BULLION MARKET Prices supplied by N M Rotischild

398.80-399.30 258.297 472.541 256.962 470.208 398.50 396.50 399.40-399.90 396.50-397.00 401 BO-402:20 Loco Ldg Mean Gold Lending Rates (Vs USS) 2 monthe4.13 p/troy oz. 359.70 364.75 555.00 561.60 567.35

S price 397-400

409.00-411.55

579.05

£ equity. 257-258

£0-62

PALLADIUM NYMEX (100 Troy oz.; \$/troy oz.) 144.25 +1.75 144.50 140.75 965 2.937 145.45 +1.75 145.50 142.00 1.043 4.455 146.70 +1.75 - 4 107 147.95 +1.75 145.00 145.00 2 80 145.75 +1.75 - 4 147.95 +1.75 145.00 145.00 2 89 2,014 .7,558 Feb Star May Jul Sep Cec Total CRUDE OIL IPE (\$/barrel) W HEATING OIL NYMEX (42,000 US gales; cAIS gales) 55.65 20,808 25,702 52.00 12,015 19,160 49.50 3,874 11,600 48.20 1,677 10,383 48.05 381 6,240 48.35 220 4,755 40,470 85,431

> MATURAL GAS NYMEX (10,000 mm8ta; \$/mm8ta) 2.465 -0.134 2.465 2.260 18.682 26.956 2.190 +0.082 2.005 2.100 5.727 24.083 2.000 +0.047 2.005 18.080 815 12.940 19.85 +0.052 1.965 1.930 951 11.116 1,910 275 10,482 60.15 57.10 11,815 18,655

> > 54.90 +1,30 60.20

+1.40 59.00 57.20

118.05 -0.70 118.30 117.85 129.75 -0.80 121.09 120.50 122.80 -0.55 122.16 122.50 110.70 -0.55 -112.35 -0.35 112.30 112.30 +3.0 401.5 396.5 123 243 +2.9 404.2 397.5 50,675 115,205 +2.8 407.0 400.5 32,870 33,379 +2.9 407.5 401.5 22,870 33,379 +3.0 408.0 408.0 14 3,530 +3.0 412.1 407.0 251 14,118 +3.0 408.0 408.0 14 3,530 113.90 -0.35 PLATINUM NYMEX (50 Tray OZ: \$/00y OZ.) ■ WHEAT CET (5,000bu min; cents/80th bushel) 42).1 -1.0 4215 416.1 2280 15.825 423.5 -1.0 422.5 419.0 215 4.210 425.8 -1.0 425.0 423.0 3 1.314 428.0 -1.0 - 34 85 2468 21.435 # MAZZE CBT (5,000 bu min; cents/56% bushel) New 377.25 -2.5 360.75 376.75 34.710 112.671

New 380.25 -2.75 383.00 380.00 18.606 161.091

Jul 375.25 -1.25 377.25 375.00 11,006 105.77

Sup 327.75 40.5 326.50 326.25 2148 32.976

Duc 313.50 +1 314.75 311.75 71.35 77,777

New 318.75 +1 319.50 318.75 223 6,010

74.036 374,022 # BARLEY LCE (E per torme) 108.40 +0.10 108.00 108.40 10 457 110.50 -0.20 110.50 108.70 41 444 108.60 - - - 32 107.50 -0.50 - - 244 110.50 - - - 244 1,177 SOYABEANS CET (5,000bu min; conta/60b bushe) 726.75 -1 731.25 726.90 31,344 43,175 737.50 -1.25 742.00 737.00 14,149 51,347 742.25 - 780.25 746.00 63.77 41.557 747.75 -751.50 747.00 63.84 63.87 733.75 +2 780.25 733.00 756 3.406 727.00 +4 730.00 724.00 63.88 45.801 88.844 193.818 # SOYABEAN OIL CET (60,000 bs: centa/b) 24.52 -0.13 24.53 24.51 6.431 24.54 24.70 -0.12 24.81 24.68 4.97 24.539 25.69 -0.12 25.30 25.68 3.046 18.31 25.27 -0.06 25.45 25.27 1.22 5.517 25.43 -0.06 25.55 25.42 1.079 2.838 26.55 25.48 1,078 2,838 25.80 25.58 92 2,223 17,710 85,484 SOYABEAN MEAL CBT (100 tone; \$/ton) - 231.0 229.1 7.597 19.526 - 225.0 233.1 7.147 32,673 +0.2 227.8 235.8 2.851 21,278 +0.1 236.5 235.3 239 3,839 +1.1 234.4 233.5 33 2,558 +1 230.5 228.0 82 1,851 18,918 58,663 POTATOES LCE (E/torne) -1.0 175.0 174.0 -2.5 196.0 196.0 200.8 175.5 195.0 325.0 125.0 FREIGHT (BIFFEX) LCE (\$10/Index point) -15 1428 1410 -30 1475 1450 -18 1470 1425 -10 1335 1310 -5 1340 1340 +20 1380 1380 13 450 23 649 50 1,504 37 1,456 - 550 1 45 125 4,853 173.50 +3.75 174.50 170.50 160.00 +1.50 160.75 150.75 152.25 +0.75 156.00 154.50 152.00 -152.75 151.75 152.50 -152.25 152.00 5,633 24,660 2,119 12,543 1,776 7,691 600 7,342 183 4,899 245 2,536 11,544 68,867 Close Prev 1418 1428 FUTURES DATA

All futures data supplied by CMS. Note and Seeds
Prices from Kenkko Group; USS a lonne. Irenian piritachica 28/30 rpw (n shell) naturally
opened (round): 1995 crop 3,400 CFR/FOT
MEP, 28/28 3,500 CFR/FOT MEP - reseted
and salted 28/30 at 3,900 ex-Hemburg, vecurn pack. US almonds (shelled) 18/20 NPS
1895 crop at 6,100 FAS - rain has raised lears
of extraction become between ISS water to be 1895 crop at 8,100 FAS - rain has raised lears of autostantial bloom damage. US writints LHP 20% - steady at 6,100 FAS Catternia, Indian cashews raw: 1895 crop, W-220, 5,850 spot Europe; 5,850 CFR MEP March-Aprit: W-240 6,100 spot Europe; 5,850 CFR MEP March-Aprit: W-240 6,100 spot Europe; 5,850 CFR MEP March-Aprit: Increases again due to spousation. Turkish hasshut kemals, 13/15 standard 1s, 1995 crop at 2,490 CFR MEP, fitting stowly. Russiam snow white pumpkin seeds: 1995 crop, long, grade A, at 1,850 FOB MEP; round, 2,350 FOB MEP. US auniflower seeds 20/64 long at 800 CFR MEP. 58.85 8,108 22,784 58.15 3,031 12,724 57.20 671 5,853

881 957 9,390 914 1,479 22,824 939 788 12,349 961 586 36,529 878 488 16,124 997 392 31,512 901 925 948 969 966 1006 ■ COCOA CSCE (10 tonnes: \$/tonnes) 1292 1272 150 958 1310 1297 4.815 43,078 1228 1318 475 18,978 1347 1337 409 10,902 1376 1364 32 9,943 1295 1395 66 7,345 5,948 82,718 ■ COCOA (ICCO) (SDR's/tonne) COFFEE LCE (5/tonne) 2103 +8 2135 2066 2,562 9,835 1678 +77 2022 1923 2,630 13,833 1909 +37 1929 1848 536 4,435 1865 +11 1875 1820 10 12,869 1840 +23 1790 1790 15 1,291 1864 +33 1760 1760 5 137 8,049 23,880 # COFFEE 'C' CSCE (37,500fbs; cents/fbs) 124.85 +2.20 128.00 121.20 4.451 1.445 122.30 +1.71 124.25 110.25 5.316 15.945 121.50 +1.50 122.10 116.25 121.30 +1.50 122.10 116.25 121.30 121.50 +1.55 122.00 116.00 397 2.473 119.00 +1.25 120.00 116.00 100 1.253 119.15 +0.90 116.50 110.00 16.398 11,183 27,578 COFFEE (ICO) (US cents/pound) Prov. day Unq Unq May May Jul Total hisy 382.0 -1.7 386.0 380.5 651 14.4 Aug 158.3 -0.0 381.5 357.0 584 8.4 Que 22.2 -2.1 314.0 313.7 10 2.4 hisr 307.1 -1.4 309.0 309.0 15 8 hisr 307.1 -1.4 309.0 309.0 15 8 hisr 307.2 -1.7 305.0 304.0 22 5 70 km 31.5 CSCE [112,000/bs; cents/bs) 382.0 -1.7 386.0 380.5 661 14,405 358.3 -0.0 361.5 357.0 584 8,450 323.6 -1.8 325.0 322.5 290 4,124 212.1 -2.1 314.0 313.7 10 2,826 307.1 -1.4 309.0 309.0 15 801 302.9 -1.7 305.0 304.0 22 527 22 527 12.59 -Q.03 12.67 12.46 13,753 33,808 11.70 -Q.02 11.73 11.62 12.913 52.276 10.29 -Q.01 10.90 10.85 2.287 31,903 10.55 -Q.05 10.38 10.55 655 26.556 10.28 -Q.05 10.38 10.57 655 26.556 10.28 -Q.05 10.28 10.28 370 13.370 10.17 -Q.05 10.18 10.17 113 2.734 106 15,468 COTTON NYCE (50,000bs; cents/ibs) \$3.45 -1.43 \$4.50 \$3.41 4,025 \$.437 \$4.74 -1.21 \$8.80 \$4.70 4,583 \$1.317 \$5.02 -1.03 \$8.60 \$5.00 \$5.00 \$5.13 10.52 \$4.50 \$6.60 -1.45 \$8.60 \$8.50 \$71 0,524 \$78.47 -0.21 78.70 78.40 \$389 14.53 78.42 -0.08 -79.50 \$37 1.244 \$8.89 \$8.751 ■ ORANGE JUICE NYCE [15,000fbs; cents/fbs) 124.15 +0.55 124.5 122.50 722 124.35 +0.65 125.00 123.10 667 124.46 +0.80 124.50 123.56 287 123.25 +0.20 123.25 123.00 65 120.95 - 121.00 121.00 28 120.90 +0.40 121.00 120.50 57 1,781 555 1,839 VOLUME DATA Open interest and Volume data shown for contracts traded on COMEX, NYMEX, CBT, NYCE, CME and CSCE are one day in arrears.

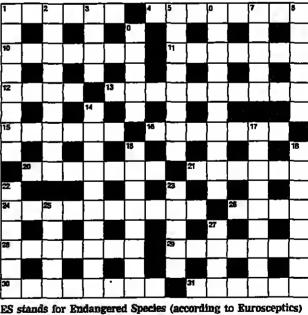
INDICES ■ REUTER\$ (Basic 18/9/31=100) Feb 20 month ago year ago 21523 2132.0 2294.1 CRB Fetures (Base: 1967=100) Feb 20 Feb 19 month ago 249,64 N/A 241,98 ■ GSCI Spot (Base: 1970=100) Feb 19 month ago 192 99 185 78

49.100 -0.100 49.300 48.450 796 678 46.200 -0.550 48.450 45.075 3.472 12.474 51.325 -0.425 51.500 51.00 889 0.088 50.150 -0.300 50.400 50.000 308 2.931 48.525 -0.350 48.725 48.400 189 3.881 61.950 -0.050 61.700 61.900 112 273 60.675 -0.550 60.850 59.750 1,867 2,949 61.950 -0.675 61.950 60.800 1,275 3,716 671.75 -0.625 58.250 58.300 164 1,576 55.600 -0.500 56.000 55.500 36 265 LONDON TRADED OPTIONS Strike price & tonne - Calls - - Puts -159 96 52 COPPER COFFEE LCE 20 31 LONDON SPOT MARKETS # CRUGE Off. FOB (per barrel/Mar) \$18.42-5.52w \$18.93-8.99 \$17.85-7.88 \$18.33-9 35 +0.26 +0.38 +0.325 +0.47 W.TJ. Henry Fuel Oil Naphtha Jet Iuel \$174-175 Petroleum Argus. Tel Londo (D171) 369 8792 123 Oc 41.75c Unq. 292.50c Tin (New York) 119,50 Cattle (live weight)† Sheep (live weight)† Pigs (live weight)† +0.35 129.68 105.12 \$409,00 Unq. 150,52 Unq. Barley (Eng. feed) Malze (US No3 Yellow) Wheat (US Dark North) Rubber (Mart♥ Rubber (Apr)♥ 107.500 Cocorus Oil (Phil)S Pakn Oil (Makey.)S \$745.0w \$520 O Copra (Philips Soyabeans (US) Cetton Outlook'A' index 490.0y 207.0y 84.65

JOTTER PAD

CROSSWORD

No.9,000 Set by CINEPHILE



ACROSS mountains (6)

Witchcraft finds deficiency in titled man (5.3) should be more honest (7)

11 ES, the royal trade union? (7)

weather (10) giants (10)
15 ES, with favourite article 17 ES sounds like an old one of

the line of least resistance?

26 Agitation to reduce aircraft speed (4)
28 U, nearer than Np and Pu? (7)
29 Some bonour is beld to 30 Once having gone wrong

inside, it can cause tumours 31 Male journalist performed (6) DOWN 1 in sinks - be quiet a moment!
- they are for washing up

2 Core fuels used to emit light

438p

E per norme uniess otherwise stated, p pence/kg, a cente/for ringge/kg, m Makhystan cente/kg, u Feb. V w Apr. y Feb. Wor w Mac/Apr. London Physical. § CIF Romentam. § Button market close. § Sheep (Live weight prices). Change on week ?

5 Plate for food, alcohol like spats (8)

tanks in a ring (10) 8 One in the business of abuse: (6) 9 ES, two kings to one? (5) 13 Disinclined to be under the 14 Placing (police etc) made into

16 Suffer attempt to enter seed 18 Jock is most upset during plant (7) examination (8)
20, 12 ES for musical cataloguer 19 Careless in not wearing boots? (8)

21 All the results are disastrous 22 ES, one to act on copper (6) 23 ES in enclosure (5) 24 South of summit, turn into 25 ES was manager in football club (5) 27 ES boat (4)

Solution 8,999



INTERNATIONAL CAPITAL MARKETS

Short-covering helps lift US Treasury prices

and Martin Brice in London

Bargain hunting and short-covering helped US Treasury prices rebound from Tuesday's sharp sell-off in early trading yesterday.

Near midday the long bond was % stronger at 95% to yield 6.342 per cent, while at the short end of the maturity spectrum the two-year note was up # at 99# to yield 5.135 per cent. Yesterday's recovery was

augmented by traders who had bet on a second day of deciming bonds and were forced to cover short positions by buying bonds in early trading.
A new interpretation of the Congressional testimony of Mr Alan Greenspan, chairman of the Federal Reserve, was also

supportive of the bond market. On Tuesday, Mr Greenspan rattled the market, sparking a 2 point decline in the price of the long bond, as be told a House of Representatives panel that the economy seemed to be "on track" - a remark that many took as a signal that the Fed was not likely to lower interest rates at the March 26 meeting of its Open Market

Yesterday, in testimony to a German bonds opened lower Senate panel, Mr Greenspan on the back of the previous 97.44. The yield spread of 10- %, derived from LIFTE short again avoided direct discussion of future interest-rate policy, but the market took a more sanguine view of his comment that: "What you have to do is weigh the pluses and minuses of particular policies which

you could potentially make."
The market moved briefly off its session highs at mid-morn-ing after the release of the Mitsubishi/Schrodar Werthaim

GOVERNMENT BONDS

survey, which reported a 2.7 per cent increase in chain store

■ European government bond markets recovered some of their poise yesterday, helped by domestic factors as well as the recovery in the Treasury

UK government bonds were encouraged by weak retail sales figures, while Italian bonds were lifted by inflation figures and bund investors waiting for the M3 money supply figure were reassured by a husiness confidence survey.

day's fall in Treasuries, but recovered more than a point to finish in positive territory after finding hayers when 10-year

yields reached 61/4 per cent. Sentiment was helped by the IFO survey of business confidence, which showed a fall in the index from 93.2 for December to 92.6 for January.

"Tha indications from the IFO economists are that they are expecting some sort of recovery in the weeks to come but until we see that, the mar-ket will continue to respond favourably," said Mr David Brickman, European economist at Yamaichi International.

"Even if you don't believe the Bundesbank will cut rates again, you cannot argue that it is about to raise rates," he said, adding that private sector lending figures suggested any large M3 number was likely to be a distortion.

The curve flattened slightly as the yield on two-year paper rose by 4 basis points and that on 10-year paper fell by 4 points, with the spread between the maturities at 223

On Liffe, the March 10-year

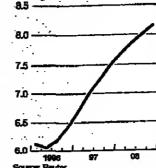
year bunds over Treasuries tightened by 12 basis points to

■ French honds took their direction from bunds in the abaence of domestic factors. On Matif, the March future settled at 120.10, down 0.04, while March Pibor fell 0.07 to 95.24. The spread over bunds tightened by 1 basis point to 37

■ Encouraging inflation numbers helped Italian government bonds outperform bunds, and the spread over 10-year paper narrowed by 19 basis points to

The headline rate of inflation fell from 5.8 per cent in December to 5.5 per cent in January, although hard conclusions are difficult to draw as the figures are the first to be released since tha revisions to the

Mr Ken Wattret, international economist at HSBC Markets, said: "The implications for official rates are unclear. The central bank has already expressed its reluctance to cut rates in the absence of correcring contracts



tive action on the budget deficit. With the lira expected to coma under pressure as the political uncertainty mounts, the odds look to be stacked against a near-term rate cut."

Yields fell along the curve: on two-year paper by 28 basis points and on 10-year bonds by 23 points. On Liffe the March future to rose 1.52 to 109.03.

■ Gilts were heartened by news that retail sales bad fallen by 0.6 per cent in Jannary, against market expectations of a 0.2 per cent rise. The March future on Liffe

NEW INTERNATIONAL BOND ISSUES

100.00 Mar 2000 1.50

closed up # at 107 while the spread over 10-year bunds tightened by 5 basis points to

158 points. Minutes of the January meeting between Mr Kenneth Clarke, the chancellor, and Mr Eddie George, governor of the Bank of England, showed Mr George was not opposed to last month's rate cut.

"A lot of the market had speculated that because the Bank didn't comment at the time on the rate cut, it disagreed. But it is quite obvious, there was no disagreement and there is ample scope for interest rate cuts," said Mr Andrew Roberts, gilts analyst at UBS.

■ The Swedish yield curve steepened slightly as some traders positioned themselves for a possible lowering of the permitted interest rate range. Mr James Stewart, head of research at Enskilda, said a survey of inflation expectations had shown growing evidence that the economy was growing at a slower pace, as Sweden's export markets were

cooling off. The spread over 10-year bunds widened by 7 basis points to 267 points.

Creditanstalt and Grant join forces

By Chrystia Freeland

Creditanstalt Investment Bank. the Austrian investment bank. is to merge its Russian operations with Grant Financial Group, one of Moscow's leading investment companies. Creditanstalt-Grant Investment Company will take over all of Grant's business and Cre-

ditanstalt'a Russian transac-

By joining forces with a Russian player, Creditanstalt is following in the footsteps of other western banks, such as MC Securities and Renaissance Capital, which have decided that a close alliance with a local company is the best way to penetrate the often opaque

Russian market.

dominant investment banks in eastern Europe and officials said the decision to move into Russia was "a logical next step" in its evolution.

Established less than four years ago, Grant is one of Russia's pioneering securities companies and Mr Andrei Orekhov, its chief executive, is one of Moscow's most prominent

investment bankers. But the new venture is being launched during a difficult time for the Russian securities market. June presidential elections and mounting demands for a partial reversal of privati-sation have created a climate of uncertainty which has pushed Russian equities down by 8 per cent in dollar terms since the beginning of the year and most analysis see no relief ahead of the June ballot.

Frankfurt urged to catch up with London telecoms

By Andrew Fisher in Frankfurt

Creditanstalt is one of the

Banks operating in both Frankfurt and London are pushing the German financial centre to catch up with the UK capital in the range of telecommunications facilities provided. In a report on communica-

tions as a competitive factor, Landeszentralbank in Hessen (the regional central bank of the state of Hesse), said Frankfurt should reach the same standards as London in terms of security, costs and service. Banks that operate in both

centres perceive the differences between the two as serious," it said. "The deregulation of the British telecommunications market during the middle of the 1980s gave the financial centre of London a head start over Frankfurt." It was now catching up, however, with the city opting for competition between private operators and Deutsche Telekom.

Frankfurt's policy was in contrast to other German cities, which are building municipal networks. This was producing benefits in price and service levels, as well as the speed at which the networks were being developed. "Tho investments also enhance Frankfurt's image as a finan-cial centre," the bank added.

Landeszentralbank in Hessen said that while banks did not decide where to locate their operations on the basis of communications infrastructure, "some banks tend to concentrate business activities with a high telecommunications requirement in those places which are best equipped in that respect".

This was also true for information services provided for the banks' clients, the report said. These are often being located in low-cost sites from which information is sent out

And the second of the second o

Activity slows to a trickle

By Conner Middelmann

The recent slide in government bond markets brought primary activity in the eurobond sector to a virtual standstill, with only a small trickle of deals

materialising yesterday. The D-Mark sector saw two short-dated, retail-targeted transactions, DM300m for the Kingdom of Denmark, rated Aa1/AA+, and DM250m for triple-A rated Rabobank Nederland. After moving into longer maturities at the beginning of the year, retail investors have returned to the shorter end of the yield curve, which offers greater protection from price volatility, dealers said.

WORLD BOND PRICES

The main attraction of Denmark's 3%-year offering was its 5 per cent coupon, which resulted from the recent rise in German yields, said an official at Daiwa Europe, which led the deal jointly with Paribas. He said a similar bond issued in

INTERNATIONAL BONDS

early February carried a coupon of 4.5 per cent. Moreover, he said, the D-Mark sector has seen little European sovereign issuance this year. The bonds were priced flat to German Rabobank's issue has a coupon of 4.5 per cent but it is nine months shorter than Denmark's. Moreover, said an official at book-runner SBC Warburg, European retail investors are keen on Dutch triple-A rated names. The bonds were priced to yield 5 basis points over government bonds.

issued FFr1.5bn of 10-year bonds via CDC and Societé Générale. Priced to yield 10 basis points over French government bonds, the issue was placed mainly with French pension funds and insurance companies, with additional interest from Germany and the

107-09 -0-09 108-17 -0-11

US DOLLARS MMCCT No 2(a)‡ Banco do Brasil (Gd Cayman) D-MARKS Kingdom of Denm Rabobank Nederla FRENCH FRANCS Germany's DSL Finance

gage bank, increased a \$100m floating-rate note issue launched in mid-January by \$200m. Bookrunner PaineWebber said the increase had been Spintab, the Swedish mortlargely preplaced.

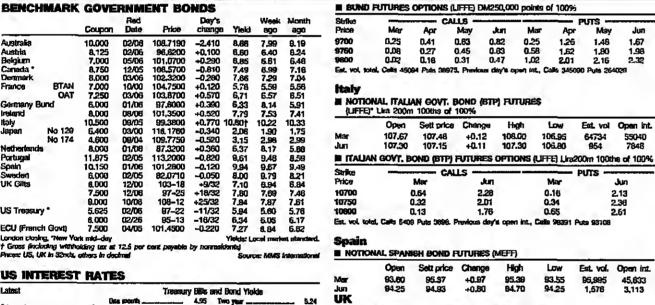
2.13

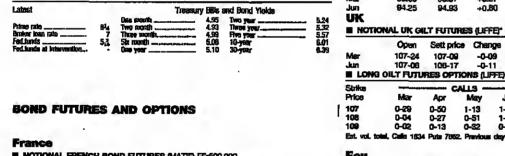
offering is being rumoured for the Hellenic Republic, which is said to be planning a \$500m issue of seven-year notes

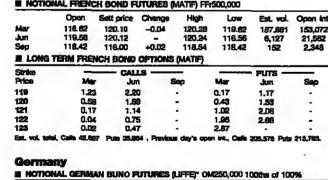
Final terms, non-callable unless stated. Yield spread (over relevant government bond) at launch supplied by lead manager, #Unlisted. §Convertible, 2 Fleeting-rate note, #Semi-annual coupon, Rt finad re-offer price; less shown at re-offer level, a) MENA Master Credit Card Trust a1) 1-mth Libor +21bp, b) Fungible with \$100m, Plus 15 days account 20) 3-mth Libor fat, o) Flooring 28/2/96. Call and put

Another floating-rate note over Libor in the 70s. Among emerging-market borrowers, Banco do Brasil issued \$200m of three-year bonds yielding 400 basis points priced at a vield spread over US Treasuries.

99.335R Apr 2006 0.525R +13(7.4%-06) CDC/Société Générale





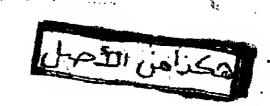


NOTIO	NAL FREN	CH BON	D FU	TURES	TAM)	NF) FF	1500,00	0		E	cu								
	Open	Sett pr	ice (Change	1	High	Lo	w Est. vol.	Open in		ECU !	BOND	FUTU	RES (A	MATTE) ECU10	0,000			
Aar	116.62	120.1	0	-0.04	12	20.28	119	62 187,681	153,072	?			Open	Sett	orice Change	High	6	W Est wo	L. Open in
un	119.56	120.1				20.24	116		21,582	м	ar	8	8.40	88	_	89.00			
èp	118.42	116.0	_	+0.02	-	18.54	118.	42 152	2,348	•	_	1		-		00.01		1,000	,,,,,,,,
LONG	TERM PRE	NCH BO	ND C	NONTE	\$ (MA	ATH)				_									
trike			CALL	s —	_			PUTS -		U	IS								
rice	Mq		Jun		Sep		Mar	Jun	Sep	-	UST	EASL	TRY BO	OND F	TURES (CB)	\$100,000	32nda a	100%	
19 20	1.2 0.5	-	2.20		-		0.17	1.17 1.53	-				pen	Let	est Change	High	Lov	# Est. vo	L Open int
21	0.1		1.14				1.02	2.08		м	ar	11	6-03	115	-28 -0-08	116-1	8 115-	16 472.46	•
22	0.0		0.75				1.96	2.66		Ju	K)	11	5-19	115	-13 -0-08	118-0	0 115-		
23	0.0	_	0.47		-		2.87		-	Se	ap qe	11	4~30	115	-03 -	115-1	2 114-	19 2,892	7,447
er nor son	al, Cata 42.6	97 Pute	35,964	, Previo	NE CH	A,s ob	en int., C	205.576 Puta	213,783.										
										J	apar	l							
Jerma	my														JAPANESE	GOVT, BO	ND FUT	URES	
NOTIO	NAL GERM	AN BUN	IO FU	TURES	(LIFE	₹)* O	M250,00	00 100ths of 10	096		(LIFTE) Y100	<u>3m 100</u>	itins of	100%				
	Open	Sett pr	ice (Change	,	High	ما	W Est vol	Open in	_			لافظر	Clo	ee Change	High	Los	w Est. wo	Open int
lar	97.50	97.00)	-0.32	97	7.63	96.6	5 310573	233702		_		19.03			116.13			0
	96.70	96.15	;	-0.30	98	8 .76	95.8	3 10610	41793	Ju			7.54			117.64			0
	-									- 1	JPPE TO		ac pac	A no be	PT. All Open Int	erest 1gs. s	Le lot ban	lous day.	
HK G	ILTS PI	RICES																	
									_	_		_		-		-	-		_
	Notes	Yiel		Price Z +	a -	_ 52 w	tow		Notes i	Yield nt	Price E	+0-	- 52 t	week _ Low		Notes	Yield	Price E + cr-	_ 52 week - High La
- dell d be	is up to Fire Y							rees & looc 2005#		10 7.77			10623	975	Index-Linked		1.7	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
	1990#		5.98	1014	-Ja	1064		ress 7 ¹ 20C 200811				+5		9433	2nc 76	(B) (87.9)	- 0.8	8 215}}	. 216 ₁ 204
ch 134pc 1		13.05	6.01	1012	4-4-4-4	1064	101兹,	rems 7340c 2008##				+14		924	45sc '98##	(78.3)	1.27 2.5 2.89 3.4 3.11 3.5 3.14 3.5		113 107 180), 166
	apc 1996 1997##			102 <u>63</u> 106 <u>3</u>	∴	1004		1909 Spc 2002-6#				+7		93%	21 ₂ 0c '01	78.6	311 35	1 17312 +	180), 166 176 162
ch 10 ¹ 200 1				1042	+44	102-13		ress 11 kpc 2003-	7 94	86 7.85	121()	+15	1252	11333	43-pc '04#	(136 B)	3.14 3.5	2 112.5 + 1 2 1778 + 1 1 1738 + 1 1 1444 + 1 5 182 + 1 2 1634 + 1 4 1694 = 1 8 1395 + 1 8 1395 + 1 7 118 + 1 7 118 + 1 7 118 + 1 7 118 + 1	1161 108
	: 1997##		8.25	1013	+4	10145 1045 1172	97 & T	ress 81 ₂ pc 2007 #	8.	13 7.85	10433	+33	10833	9733	20c '06 21 ₂ 0c '09	(69.5) 78.6	926 3.5 3.37 16	5 182 + 2 1634 +	18511 160 1874 152
	997#		8.28 10		+	104,5	100 L	rem 13 ¹ 2pc 2004-	5 10.0	06 7.73	134,3	+13	13813	126&	2 ¹ 200 11	(74.6)	3.42 3.6	4 169∯ad +	173.2 157
ch 15pc 190 ch 9%.nc 19				113 <u>0</u> 105 3 9	1	1073		ress Spc 2008 ## _		26 7.93	10843	+23	1121	101%	21200 13	09.2i	3.48 3.6 3.52 3.7	8 1294 +	3 143 129
ess 74pc 1				1013	+4	1022	9643 T	rees 8pc 2009	81	7.97	29%	+%	10412	94/4	21 ₂ 90 10 21 ₂ 90 20	(81.6) (83.0)	3.57 3.7	0 1484 + 2 1414 +	1524, 737 3 1487, 131
ими 83 ърс 1	995-98##	6.74	6.64	100&		100&	94% T	rems 6 1/4pc 2010.	72	9 8.05	845	+76	882	792	2looc '2411	57.7	3.56 3.7	5 11B +	1487, 131 1227, 109
000 15 ¹ 20C			6.66	1204	+7	1244	1203 ₁	•					-	_	41spc 30#	_(135.1)	3.58 3.7	2 1182 +	120 108
ch 12pc 19				11253 197	3	11473	109 <u>13</u> 102 <u>13</u>								Prospective re	of redemo	don rate	on projected	inflation of t
888 9'20C 1	988##	8.88	6.81	100%		1001	983								10% and (2) 5	%. (b) Floa	ree in per	entheues show	FIPI base t
ch 125cc 1		10.66		114%		1168	(116								indexing de 8	months pri	or to passe	and have be	on adjusted t
ses 10 ¹ 200		8.52	6.89	1104	-14	1122	105% 0	var Piljogs Yessa							reliect rebesin factor 3.945.	g of He-1 1	10 100 in	February 198	7. Conversio
tas 6pc 198			6.91	97%	+4	364		00° 8pc Lr 2011 #1					112()	10133	150.2.		1383. I	4979 SLIG FOR	January 1993
	Hape 1989_			110 ¹ 2 106 1 3	1	112 <u>1</u> 100 <u>1</u> 3		■ Spc 2012井					1137	102点					
ny 9pc 2001 18s 15pc 20				100g 1213	3	12415	117	reas \$1 ₂ pc 2008 -12	# - 7 .0	7.78	7812	+35		723,					
14pc 19				115%	-3	117	1142 T	reas 8pc 2013‡‡	6.0	M 8.05	99,		103 }	93指	Other Fi	zed Int	terest		
ses Spc 200				10332		1057	96, 7	ress 7%pc 2012-1	28 ##				101 13	92					
							Ti	7885 Spc 2015	8.0	31 8.04	8913	+155	1043	8333			Yield		52 wook .
								reas 834pc 2017#1.			100 6 30	•	1117	100點		Notes	iat Rec	Price£+pr-	· High Lan
							Е	mb 12pc 2013-17	N	K 8.15	1354	+1.5	14113	127.3					

FT-ACTUARIES	FIXED	INTERES	ST IND	CES											
Price Indices UK Gilts	Wed Feb 21	Day's change %	Tue Feb 20	Accrued interest	xd adj.					— Medica Feb 21					
1 Up to 5 years (22)	122.56	-0.Z1	122.71	2.33	1.18	5 yrs	7.20	7,28	8.83	7.25	7,33	6.65	7,32	7.40	a.
2 5-15 years (21)	145.10	+0.54	147.33	2.79	0.76	15 yrs	9.02	8.11	B.54 .	a 02	8.13	6.66	8.11	8.22.	B.1
3 Over 15 years (8)	162,14	~7.18	160.26	2.02	2,41	20 yes	8.13	8.22	8.51	8.08	8.20	8.66	8.18	8.29	8,7
4 Irredeemables (6)	185.16	+0.75	183.76	3.32	0.00	trred.†	8.22	8.29	8,80						
5 All stocks (57)	1-2.99	+6.54	142.38	2.54	1.21										
								- Inflatic	m 5%	<u> </u>		Inthatiles	10%	<u>.</u>	
Index-linked									20 · Yr. 2				20 Yr.		
6 Up to 5 years (1)	197.20	+5,04	197.12	2.86	0.00	Up to 5 yes	2.5	59 2.	60 3.7	72	1.2	6 1.2	36 · 2.	33	
7 Over 5 years (11)	185.91	+0.32	185.20	0.94	0.63	Over 5 yrs	3.6	68 3,	60 3.6	39	3.4	5 3.4	18 3.0	39	'
6 Alf stocks (12)	186.04	-0.38	185.34	0.98	0.62										

T FIXED	INTERI	EST II	NDICE	S					GILT EDGED A	CTIVITY	INDICE	5		
	Feb 21	Feb 20	Feb 18	Feb 16	Feb 15	Yr ago	High*	Low		Feb 20	Feb 18	Feb 18	Feb 15	Feb 14
ort. Secs. (UK) ked interest	112.27			94.31 112.73					Cilit Edged bargains 5-day average	100.1 97.2	95.7 96.4	85.1 95.8	102.2	102.6 100.5
or 1985/96. Govern 0/26 and Fixed Int	nment Securi	Blee high s	ince com	pletion: 12 obesed 19	7.40 (B/V	35). krw 4	9.18 F3/1/	75), Flored In	torest high eines compliation: 13	RJ87 (21/1/24)	, low 50.53 (3/	1/75) . Basis 1	00: Оочения	nt Securities 15

FT/ISMA INTERNAT	IONA	L BC	MD	SER	VICE										
isted are the issest international box	ds for w	hich ther	o is an	adeque	se secondary market. Latest prices at	7:10 pa	on Feb	cuary:	21						
leswed	Bki	Offer	Chg.	Yleki	lowed	Bkf	Offer	Chg.	Yield		lawyed	Bld	Offer	Chg.	Yie
U.S. DOLLAR STRAIGHTS					Sweden 6 97 2500 United Kingdom 71s 97 5500	10514	106	-10	4.11	Abbey Nell Treasury 8 03 5	1000	99 ¹ 2	99%	,Je	8.0
Abbey Nati Treasury 612 00 1000	1014	1012	-	5.30	Linked Kingdom 74, 97 5500	105	705 ⁴	-3	3.98	Alliance Lates 112 97 £	100	1057	105%	4	85
ABN Armo Bank 7 ¹ 4 05 1000 African Dev Bk 7 ³ 8 23 500	1054	1053	-12	6.61	Valkswegen Ind Fin 7 03 1000	1024	1023		6.59	timen Land 8% 28 £	150	90%		41.	100
Windan Dev 8k 7-g 23	1027	103 ¹ 4 105 ¹ 2	-58	7.15 5.47	World Bark D 15 2000		307	444	621	Denmark 61; 98 £	800	895		44	88
olon Dow Book 61, 05	1001-	1004	<u>ئے</u> بار	6.33	World Bark 5% 00 3000	98	991 ⁸		620	EIB 6 03 £ Halliax 10 ³ g 97 £	1000	1003 ₆	190%	-	7.8
metrical port control con con	1005	109%	3	5.69	SWISS FRANC STRAIGHTS					Hallex 103 97 E	100	1033,	104		6.5
barta Province 7 ⁵ g 98	1084	1083	3	5.72	Asian Day Book 0 10	841-				Hanson 10 ⁵ g 97 £	500	105	105 ¹ 4		7.0
ank Ned Gemeenten 7 98 1000	104	10432	3	5.62	Asian Dev Bank 0 16	104	35 104%	4	5.48	HSBC Holdings 11.69 02 E	153	175%	116 ¹ 2	1 4	8,4
Syer Vereinabk 81 ₈ 00 500		106 ¹ g	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5.82	Council Europe 41, 00	1021	104%	-4	3.34	Japan Dav Bk 7 00 £	400	111	1111	+4	92
eigium 5 ¹ 2 03	055	95%	-5-	6.23	Denmark 41 99 1000	100%	104	رد_	279	Japan Dev Bk 7 00 £	200	957	88 ⁷ a	44	7.2
FOE 74, 97	1023	102	3	5.33	ER 91 00 1000	1025	1027	3		Land Secs 912 07 £	200	104	10412	+	8.2
itish Calumbia 73, no 400.	1093	1091	-3	6.04	EB 3 ¹ 4 99 1000 EB 6 ³ 4 04 300	142	IU24	3	281	Criterio 11 ¹ ₂ O1 £	100	1134	1134	44	7.8
nitish Ges 0 21 1500 meda 6 ¹ s 05 1500 erada 6 ¹ z 97 2000 neung Kong Pin 5 ¹ z 98 500	14)	147	4	7.80	Out of 0	112		-3	5.00	Powergen B4 03 E	250	10374	10312	4	8.2
meda 63, 05	100h	1003		640	Pintend 7 ⁴ s 99 300 lotlend 7 ⁵ s 00 100 Inter Amer Dev 4 ³ s 03 500	112	112%	-3,	3.65	Sever Trent 1112 99 £	150	1113	1113	-	7.4
erada 61: 97 2000	1015	101%	-1,	5.22	Inter Armer Day 43: 09 600	102	10212	3	4.57	Totalo Elec Power 11 01 5	150	1135	1137		7.7
heung Kang Rn 5½ 99 500	973	973	يد	6.61	Ontario 6 ¹ 4, 03400	102	110	-12	4.43	TOTAL PROPERTY AND ADDRESS OF THE PARTY OF T	75	10542	10512	1"	6.0
		974	3,	721	Outhor Helm 5 (R 500	Log	10012	7	4.70 5.03				1057	-3,	8.5
redit Foncier (2) 99 500	110la	1107	4	5.81	Quebec Hydro 5 08 100 SNCF 7 04 450	110	1164	3,	4.70	Credit Local 6 01 FFr	7000	963	965	3	6.3
seedit Foncier 9 ¹ 2 99 500 sumark 5 ¹ 4 98 1000	100%	10112	4.4.4e	5.28	Sweden 44: 03 500	1013	104	3		SUC OR HOUSE BY 22 FFF	3000	4125.	113	7	7.5
		10112	J,	6.42	Works Bank 0.21 700	25	254	7	447	SNCF 94 97 FFr	4000	10412	104%		5.0
3 6 04 500	983	99	-5	B20	World Barrie 7 G1	1194	1142	7	5.53 3.99			_	•		
94 97 1000	1033x	1085	4	5.28		113-2	114-2	-2	3.88	FLOATING RATE NOTES					
8 6 04 500 B 9 4 97 1000 sc de France 6 98 200	106%	1071	그 국	545	YEN STRAIGHTS						laguad	Bid	Offi		Cop
-im Bank Jeden B 02 500	1704	110	<u>ب</u>	6.00	Beloium 5 99 75000	110	1104	4	224	Abbey Netl Treesury -14 98	1000	99.83		_	5.760
port Dev Corp 912 98 150	1085	109	キキャキャ	5.53	Belgium 5 59	1011	101%	7	4.47	Benjamenta 1, 99	— 1000 750	99.79			5.937
port Dev Corp 91 ₂ 98 150 d Home Lown 71 ₉ 90 1500 deral Nati Mort 7.40 01 1500	105 ¹ 2	10514	2	5.53	EIB 6% 00 100000	11812	116%	Ξ.	232	Belgium & 97 DM	500	60.78	99.8		
deral Nati Mort 7.40 01 1500	107%	106 ¹ 8	7	8.27	Ex-lm Bank Japan 43 03 105000	1075	1073	I	323	Carracia -1, 99	2000	99.50	99.5		565
ntand 6%, 97 3000 nd Motor Cradit 6%, 98 1500	10212	1024	4	5.31	hter Amer Dev 74, 00 30000 haly 3 ¹ 2 01 300000 haly 5 04 200000	1199	1197	1-1-1	2.32	CCCE 0 05 Ecu	200	99.45			5.261
rd Motor Credit 64, 96	101 ¹ g	1015	404	5.59	Raly 3 ¹ / ₂ 01 300000	10212	1025	<u> </u>	3.Ot						, and
8k Japan Fin 74 97 200	702 ³ 8	1025	-3	5.86	Italy 5 04 200000	1104	1103g	-2	364	COOCHE I MONOGONIA A COO			98.1	_	
Finance 5 ¹ 4, 98 650	994	991 ₂	42	5.54	Jepan Dev Ek 5 99 100000 Jepan Dev Ek 6 ¹ 2 01 120000	110	1104	4	206	Credit Lyonnais (L30 98	1250	100 04	1001		·
er-Amer Day 71 ₂ 05 500	107%	108	4	6.35	Japan Dev Bk 61 ₂ 01 120000	119	11934	4	2.77	Denmark 1g 97 Dreadner Finance 1s 98 DM	1000	100.00			5.657
France 54 99 500	9 0 3,	100	-14	534	SNCF 63, 00	118%	1171	٦,	2.51	Dreedner Finance & 98 DM	1000	100.02	100.5		1.460
V U CG 2000	47%	061 ₈	3	6.46	Spain 53, 02 125000	1153 ₂	1155	4	2.95	Ferro dal Stat 0.10 97	420	100.00	700.2		. 750
y 67g 23 3500 outri Dev Bk 63g 01 500 ree Elec Power 63g 03 1350	834	9312	-34	7.61	Sweden 45 98 130000	106	1084	•	1.48				1002		449
200	1105	1107	4	5.85	SNCF 63, 00	11312		-3,	2.83	Finland -3 ₈ 99 Mil Bank Ind ¹ 4 99	1500	99.75	99.8		187
88 EBC POWER 64 03 1350	9812	98%	-12 -12	6.73		•		•		ME Bank Intl 4 99	- 500	100.15	100.2		125
tsuehita Elec 714 02	1064	1083	-12	6.18	OTHER STRAIGHTS					inty & SO	1500	99.90	99.0		- 52
neay 7 ¹ x 97	702	10214	4	5.38	Finland 8 04 LFr 5000 Genfinence Lux 9 ¹ s 98 LFr 1000	107	108		6.66	pay + 30	2000	100.07	100.1		
tr Kontrolleret St. Or	10678	105%	ᅽ	6.28	Germanos Lux 916 98 LFr 1000				6.05			99.93	90.0		857
true 25 to 55 to 700	17174	111 ¹ g 973 ₄	4	5.86	KB Daut Industrik 812 03 LFr 3000	107	108		7.17				83.1		065
tugal 54; 03 1000 ebec Hydro 94; 98 150 ebec Prov 9 98 200	1001-	109 ⁵ a	7	626	ABN Amro 05, 00 FI 1000		104/2		5.44	Malaysia & 05	650	99.67	99.4		0000
sher Prov 9 98	1004	1065 ₂	7	5.80	Bank Ned Gemeenten 7 08 Fl 1500	104	104 ³ 8		6.26	New Zeeland 1 89	 1000	99.89	99.07	5	4605
10 99 200	111	11112	7	5.72	Bell Canada 10 ² a 99 C\$ 150 British Columbia 7 ² a 03 C\$ 1250	1105	1117	- 7e	6.98	Nove Scotte 1 98	500	98.85	100.0		466
CF 9½ 98 150	1065	100	4.4	5.91 5.56	Emin Columbia 74; 03 CS 1250	101 2	101	-1	7.B2	Untario 0 99	 2000	99.90	98.98	5.	WS.
in 61 ₂ 90	1023	103	3	5.58	Caracla Mag & Hag 814 99 CS 1000	105	1054	-3	6.72	Metalogia 2, 05 New Zeeland -1, 99 Nove Scotin 7, 99 Chrano 0 99 Panie 0 99 State 5k Victoria 0.05 99 State 5k Victoria 0.05 99	500	98.77		- 5	825
an 6 ¹ 2 90	1024	10212	3	B.19	EBS 104s 98 CS 130 Elec de France 94s 98 CS 275		108 ¹ 2	ᅸ	6.16	State Bk Victoria 0.05 99	125	89.00	100.12		567
nesses Valley & 00 1000	1013	10112	ı,	5.74	Mar in 12 10 0 0 0	109	10932		6,78	Sweden 3 G1	1500	100.08	100.0	5	175
nessee Valley 63, 05 anno	1011-	1013	ᅸ	631	KW Int Fin 10 01 CS	1114	1113	-1	7.25	SWEGST -3 01	2000	99.53	98.70	5	175
nessee Valley 6 ³ s 05 3000 yo Sec Power 6 ¹ s 03 1000	991	993	- <u>1</u>		Nippon Tel Tel 104, 99 C\$ 200	110%	111	-72	6.98					–	
ote Motor 5% 98 1500 ed Kingdom 74, 62 3000	100%	101	-5	5.23	Ontario 8 03 C8 1500 Ontario Hydro 10 ⁷ g 59 C8 500 Oster Kontrollberk 10 ¹ g 59 CS 150	10212	1024	-14	7.88	CONVERTELE BONDS					
ed Kingdom 74, 82 3000	1074	1073	-la	5.92	Color Kentalian to all all colors	11178	1113	-4	6.69			Comi.			
ld Bank 6 ³ s 05 1500 ld Bank 8 ³ s 98 1500	1014	101 ¹ 2 109 ³ 4	4	6.29	Caushec Hydro 7 04 CS 1000	110½ 94		- 1	8.70 6.16	Chubb Capital 6 98	myued	Price	Bid Offi	r Pa	-



6.72 6.66 6.74 6.05 6.52 5.51 6.40 8.43 7.76 9.13 8.91 8.57 8.32

MARKETS REPORT

The dollar traded steadily

yesterday in Europe after fur-ther support from the Bank of Japan during Asian trading

stemmed losses suffered in

New York when the dollar fell in tandem with weaker US

The dollar's performance

was helped by the steadier tone of international bond markets following the jittery trading on Tuesday, it closed in

London at DM1.4513, from

DM1.4533 and at Y105.15, from

Peripheral, or "high yield-

ing". European curreccies bounced back yesterday after their recent losses. Good news

on inflation in Italy and Swe-

deo. helped the lira and the

krona. The lira finished at

L1,084 against the D-Mark,

from L1,092, while the krona

closed at SKr4.668 from

Sterling started the day

POUND SPOT FORWARD AGAINST THE POUND

-0.0168 584 - 760 15.8185 15.7199 -0.0573 730 - 646 46.2620 45.8110 -0.0169 642 - 744 8.6840 8.6414 -0.0484 577 - 738 7.0070 6.9570 -0.0088 215 - 289 7.7383 7.7019 -0.0029 403 - 427 2.2455 2.2204 -1.424 205 - 707 372.191 369.387 +0.0002 703 - 721 0.9730 0.9702 -20.23 848 - 083 2.449.96 2424.29 -0.0573 730 - 684 48.3630 45.8110

-0.0025 201 - 212

-0.0006 437 · 448 -0.0026 154 - 185 +0.0011 316 - 338 -0.0645 263 - 493 +0.0001 440 - 450

1.5175

EXCHANGE CROSS RATES

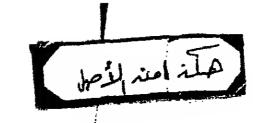
-20.23 848 - 083 2449.86 2424.29 2437.4 -0.0573 730 - 646 46.2620 45.9110 45.0088 -0.0026 086 - 123 2.5165 2.4968 2.5048 -0.0153 971 - 151 9.8334 9.7640 9.7994 -0.425 561 - 851 29.4181 232.787 234.131 -0.384 800 - 046 188.319 188.367 189.368 -0.1167 527 - 749 10.5866 10.4198 10.4656 -0.0014 281 - 308 1.8318 1.8180 1.8227

weaker, dragged lower by the

asset markets.

SKr4.715.

Feb 21



Y FEBRUARY 2 1984

extrement leads and official control to more in section to more in sec

executive for which or with the control of the cont stan equities den equities de la constant de la constant

on telecoms

And the Department of the Depa The barbara services VIII VISO MINE ant & co syams : "- i.... the bank also . Lefterinibete e Bes Panks of t the Late of Manager - The less de i lient The Wase State to this

1 2000 17 1509 125 · A TO JAKE OF THEE 三年 (28) 壁煙 er zi italia

ged to catch

policy was the networks This c ्राच्या विकास स्थापन स्थापन

21

. r

Strike Price

_ 6.25

BASE LENDING RATES Poyel Bit of Scotland 6.25

Singer & Friedlander 6.25

Shinger & Friedlander 6.25

TSB 6.25

United Bank of Kuwak, 6.25

Unity Trust Bank Ptc 6.25

Whiteomer Tutt 6.25

Whiteomery Lattlew 6.25

Vortechin Bank 6.25

The second secon

Est. vol Open int. 26935 71954 113701 90192 87907 65508 38036 48950 7601 33388

21.26 11.31 12.68 4.374 10.10 0.404 3.905 10 4.196 5.191 9.375 5.361 6.806 4.597 6.038 8.031 506.7 269.6 302.5 104.2 240.7 9.617 93.07 238.3 100. 123.7 123.4 127.9 233.7 109.6 151.3 143.9 181.4 408.6 217.9 244.5 84.6 194.5 7.774 75.23 192.6 80.63 100.9 160.9 103.3 188.9 88.56 122.3 116.3

> Open 0.9499 0.9518 0.9715 Untest 0.9543 0.9644 .0.9720 Change Hilgh +0.0052 +0.0044 +0.0021 1.5462 1.5410 1.5360

22.68 12.07 13.54 4.665 10.77 0.430 4.168 10.67 4.476 5.537 10 5.719 10.46 4.904 8.770 6.441 8.567

3.966 2.110 2.388 0.918 1.884 0.075 0.728 1.865 0.768 0.968 1.748 1 1.829 0.857 1.194 1.126

4.625 2.460 2.761 2.197 0.068 0.849 2.175 0.913 1.129 2.039 1.185 2.133 1 1.313 1.747

Low

Est. vol Open int.

10,923 573 3

73,233 5,380 611

EMS EUROPEAN CURRENCY UNIT RATES Div. 162,483 2,15214 39,3960 13,4383 1,91007 7,28580 195,792 6,40606 0,782214 158,895 2.11121 38,7842 13,2813 1,88533 7,29180 196,672 6,49784 0,617316 -0.047 +0.00198 +0.0321 +0.0101 +0.00187 -0.00123 +0.072 +0.00595 +0.001045 -2.21 -1.90 -1.55 -1.32 -1.30 0.08 0.45 1.43 3.17 5.50 6.17 4.80 4.55 4.52 3.09 2.71 1.71 0.00 15 14 11 10 13 -1 -3 -12 -21

PHILADELPHIA SE 2/8 OPTIONS \$51,250 (cents per pount) Strike Price 1.490 1.500 1.510 1.520 1.530 1,540 6.72 2.96 2.34 1.76

High 94.74 94.72 94.95 94.91 98,059 369,219 216,781 446,333 214,777 341,013 94.85 94.66 94.83 94.88 +0,05 Jun Sep 95.23 95.33 95.39 95.18 95.28 -95.21 95.27 95.31 2,589 832 108

Law

Est. vol Open int.

May 0.19 0.08 0.02 Apr 0.16 0.04 0.01 0.08 0.21 0.42 0.02 0.10 0.43 9650 9675 9700 0.19 0.02 0.01 Jun 0.21 0.34 0.53 0.06 0.18 0.37

CURRENCIES AND MONEY

Bank of Japan intervention props up US dollar

dollar's fall in New York. It to digest; the dollar's weakness then traded fairly steadily, fin in New York, tha subsequent then traded fairly steadily, fin-ishing the day at DM2 2415 from DM2.2414. Against tha dollar it closed at \$1.5445 from

The South African rand con-tinued its slide. It closed at R3.965 against the dollar, from R3.87, before slipping through the R4.00 level, for the first time. It hit a low of R4.03, before recovering to trade

around R3.94 in New York. The Reserve Bank reiterated that it was o.ot targetting the rand - the market would have to establish a new equilibrium level. It said plans to relax exchange controls remained on

European markets started the day with three main facts

7.7383 7.7019 2.2455 2.2294 372.191 369.357 0.9730 0.9702

1.2233 1.2177

1.5229 1.5150 2.1370 2.1244 11.6805 11.6260

1,5477 1,5399

1.5474

+0.0132 567 - 565 2.0595 2.0469 +0.0017 399 - 492 11,9684 11,9093 +0.0596 023 - 934 56,5670 56,4010

56,4979 +0.0596 023 +934 58,5870 56,4010 4,7880 +0.0218 819 - 841 4,7948 4.7575 162,404 -1,467 274 - 554 163,700,191,790 3,9413 -0.0047 384 - 441 3,9451 3,8291 2,2838 -0.0049 823 - 855 2,2868 2,2786 40,4196 -0.0194 293 - 0.99 40,5100 40,3259 5,7927 +0.0005 905 - 948 5,8043 5,7757 2,1654 +0.001 639 669 46,2161 5,9695 1203,63 -0.73 308 - 417 1206,04 1200,20 42,4468 +0.0042 307 - 828 42,5323 42,3226 1204,000 4,000

18.75 8.911 10 3.446 7.956 0.318 3.078 7.878 3.306 4.089 7.385 4.224 7.725 3.622 5.000 4.757 6.327

High 0.6935 0.6958 0.6947

 $5l_2$

93.88 94.10 94.10 93.87 93.55

0.08

0.35 0.24 0.15

3.667 8.928 0.937 3.452 8.841 3.709 4.589 6.268 4.740 8.689 4.064 5.931 5.338 7.100

Change -0,0019 -0,0022 -0,0032

-0.0033 -0.0033 -0.0038

Sett price Change

Jun 0.28 0.15 0.07

-0.03 -0.16 -0.28 -0.28 -0.23

93.82 93.87 93.77 93.55 93.28

Mar

0.13

20.57 47.50 1.898 18.37 47.03 19.73 24.42 44.09 25.22

4,881 2,586 2,902 0,092 0,092 0,959 1,197 2,143 1,226 2,242 1,051 1,481 1,881

2.105 1.120 1.257 0.433 1 0.040 0.387 0.990 0.415 0.531 0.971 0.455 0.598 0.795

Est. vol. Open Int.

19,565 576 64

39,844 2,284 239

5,444 2,897 3,250 1,120 2,596 0,103 1 2,561 1,074 1,373 2,401 1,373 2,511 1,177 1,625 1,546 2,057

1.5435

15.7372 48.0038 8.6569 6.9614 7.7127 2.2362

0.9702 2437.4

1.2192

11,9367

2,2875 -1.8 2,295

15.6547 45.7838 8.6311 2.3 3.0 1.7

9.9533 7.6959 2.227

2.9 45.7838 2.9 2.4814 0.9 9.7853 -2.2 235.038 -2.9 190.188 -0.2 10.4889 4.5 1.8096

1,2191

renewed support by the Bank of Japan, and Mr Buchanan's victory in the Republican New Hampshire primary.
Although the BOJ's presence

has made traders wary of trying to drive the dollar lower, there is some scepticism about the success they are likely to schieve. Mr David Cocker, economist at Chemical Bank in Loodoo, said: "The market (remains) wary of funds unwindle.g hood positions taken against cheap yen loans and the repatriation of funds by Japanese institutions ahead of March 31." He predicted more dollar

ahead, but said the longer term dollar appreciation "should be maintained". The charts also favour the dollar. Mr Brian Marber, an independent technical analyst, said that contrary to the opin-

1.8 9.5311 0.7 · 1.5 7.917 2.6 2.1845

Against the dollar (R per S) 3.85

shaking....UP!" He said that on Tuesday, the dollar "did every-thing it had to to re-confirm weakness over the month thet all trends are up."

Against the D-Mark, Mr Marber said the dollar might be vulnerable if it finished below

Jan 1996

DM1.4420. As for Mr Buchanan, Mr Avi-nash Persaud, currency strategist at JP Morgan in London, is not shaky. It is moving and said markets were showing some coo.cern not that he would be elected, "but that his agenda might be elected that it might start to effect other

Were the White House to embrace some of Mr Buchanan's economic nationalism, this would raise questions about the extent of its commitmeat to a stronger dollar. Large sectors of US industry. especially exporters, favour a

A closely watched release was the Ifo survey of business conditions in Germany, which showed signs of weakness in the economy. Mr Persaud said he doubted whether it would be sufficient to wholly arrest the market's more cautious view about lower interest rates. The Bundeshank also focuses on money supply trends, rather than on developments in the real economy.

■ Short sterling futures had a more positive day yesterday,

helped by the weak retail sales figures, and the release of the latest moothly monetary minutes, which showed the Bank of England taking a fairly Republican candidates and the White House." relaxed view on inflation.

Mr Philip Shaw, economist

st Union Discount in London, said the cash market, where three mooth money remains below the base rate, is providing a more accurate as ment of UK interest rate prospects than the futures.

MONEY RATES

Japan week ago

US Dollar CDs

week ago ECU Linked Da

week ago SDR Linked De week ago

S LIBOR Interbani at 11em each wo

EURO CURRENCY INTEREST RATES

-0.07 -0.12 -0.11

THREE MONTH EUROMARK FUTURES (LIFFE)* DM1m points of 100%

-0.08 -0.07 -0.06 -0.10

+0.06

-0.06 -0.06 -0.06 -0.08

-0.09 -0.10 -0.11 -0.13

THREE MONTH ECU FUTURES (LIFFE) Equip points of 100%

IN THREE MONTH EURO SWISS FRANC FUTURES (LIFFE) SFr1m points of 100%

98.21 98.10 87.92 97,62

96.58 96.60 96.41 96.09

89.79

90.20

90.57 90.68

Sett price

98.14 98.02 97.83

97.53

95.21

95.31 95.24 96.03

■ EUROLINA OPTIONS (LIFTE) L1000ml points of 100%

97.62

95.35

95,43 95,40 95,21

Mar Jun Sep Dec

95.10 95.19 95.21

90.58

98.10 97.95 97.76 97,47

95.20

Est. vol Open Int.

Est, vol. Open int

10433

9982 3087 1253

1402

2163

Open lot.

8350

\$ LIBOR FT London

He said the outcome of the bi-monthly repo auction had raised £16%ho in the two week facility, and only £2%bn in the four week facility. The discrepancy, he said, "tells you that money market sentiment is still expecting a rate cut in the

Casch Ro 41.5576 - 41.5095 28.9220 - 26.9320 thingary 218.167 - 218.385 141.300 - 141.350 test 453.00 - 4632.00 300.00 - 3000 80 Numet 0 4601 - 0.4612 0.2980 0.2385 Pulmet 3.9187 - 3.9295 25.380 - 25.600 Ruesla 7395.52 - 735.76 4730.00 4790.00 UAE 5.5702 - 5.5746 3.5724 - 3.5728

	_											_	
Feb 21		Closing mid-point	Change on day	Bid/ofter apread	Day's high	mid low_	One mo	nth %PA	Three sho Rote	%PA	Cine ye	%PA	IP Morge Index
Ешторе													
Austria	(Sch)		-0.0132			10.1565	10,1926	1.9	10.1586	2.0	10.0386	1.7	106.6
Balglum	(BFr)	29.8500	-0 04		29.9230		29.81	2.0	29.71	2.0	29.365	1.7	108.5
Denmark	(DKr)	5,6130	-0.0115		5.6252	5.5930	5.6088	0.9	5,6005	0.9	5.6205	-0.1	109.0
Finland	(PM)	4.5101	-0.0305		4 5385	4.5063	4.5056	1.2	4.4971	1.2	4 4806	0.7	83.7
France	(FFr)	5.0019	-0.0061	010 - 025	5.0190	4,9840	4,936	0.9	4.992B	0.7	4.9826	0.4	109,3
Зептину	(DM)	1.4513	~0.002	510 - 516	1,4550	1,4423	1,4493	1.7	1.4448	1.8	1 4311	1.4	110.7
Greece	(Dr)	239.855	-0,945	770 - 940	241.150		241,38	-7.6	244,48	-7.7	259.155	-80	65.5
reland	(162)	1.5903	-0.0002		1.5926	1.5855	1.5908	-0.3	7.5912	-0.2	1.5842	0.4	
taly	(L)	1673.10	-13.25	285 - 335	1583.99		1579.45	-4.8	1591.2	-4.6	1642.1	-4.4	71.7
Licembourg	(LFr)	29.8600	-0.04	400 - 800	29,9230	29.7100	29.808	2,1	29,72	1.9	29.415	1.5	108.5
Vetherlands	(FI)	1.6258	-0.0018	254 - 261	1.6293	1.6173	1.6227	2.3	1.8162	2.3	1,594	2.0	108.4
Norway	(NKr)	6.3491	-0,0105	453 - 528	6.3895	9 3156	6.3468	0.4	6.3386	0.7	6.3219	0.4	98.5
Portugal	(E3)	151.315	-0.29	270 - 360	151.790	150,100	157.69	-3.0	152 <i>.</i> 46	-3.0	156.065	-3.1	95.4
Spein	(Ptu)	722,320	-0.26	280 - 360	122.630	121.960	122.715	-3.9	123.45	-3.7	126.84	-3.8	82.2
Sweden	(SKI)	6.7749	-0.0762	699 - 799	6,8440	6.7555	6.7919	-30	6.8214	-2.7	6.9589	-2.7	84.8
witzerland	(SFn)	1.1845	+0.0008	840 - 850	1,1970	1.1765	1.1809	3.6	1.1741	3.5	1.1502	29	113.8
JK	(2)	1.5445	+0.0001	440 - 450	1.5477	1.5399	1,5432	1.0	1,5413	8.0	1.529	1.0	83.4
cu		1.2654	+0.0028	652 - 655	1.2694	1.2621	1.2657	-0.3	1,2661	-0.2	1.2667	-0.1	
SDRIT	_	0.67959				-		-		-		-	
Americas													
Argentina	(Peso)	0.8989	+0,0004	996 - 999	0.9999	0,9998		-	-	-		-	
Brazil	(PSS)	0.9825	-0.0019	815 - 835	0.9840	0.9815			-	-			
Canada	(CS)	1,3809	+0.0006	806 - 811	1.3830	1.3795	1.3811	-0.1	1.3812	-0.1	1,3862	-0.4	82.4
	Pesol	7.6350		300 - 400	7.5400	7.5300	7.5373	-0.4	7,5404	-0.3	7.5453	-0.1	
ASA	(57)	-		-				-				-	98.5
acific/Middle		Milco											
wstralia	(ASI	1.3324	+0.0084	321 - 330	1.3335	1.3292	1,3344	-1.8	1.3379	-1.7	1.3566	-1.8	88.2
long Kong	(HKS)	7,7336	-0.0003	331 - 341	7.7345	7,7328	7.7343	-0.1	7.7361	-D.1	7.7631	-0.4	-
ndia	(Fis)	36,5800	+0.035	300 - 300	36.6400		36.73	4.9	37.035	-5.0	38,505	-5.3	
srael	(Shk)	3.1001	+0.0139	971 - 030	3,1053	3.0804	00,10			-5.5	-		
		105.150	-0.96	100 - 200	106.000		104,715	5.0	103,915	4.7	100.845	4.1	137.1
apan	m	2.5519	+0.0028	508 - 528	2,5535	2.5490	2.5527	-0.4	2,5588	-1.7	2,5823	1.2	191.1
Asiaysia	(MS)		+0.003	782 - 793	1,4804	1,4775	1.4817	-2.5	1,4875	-2.4	1.5121	-2.3	
lew Zeeland	(NZS)	1.4786	+0.003		26,2200		1,4017	-4.0	17073	-64	1.0121	2.40	
hilppines	(Peso)	26.1700		200 - 200 503 - 507		3.7502	0.75	-0.1	3.7517	٥.	3,755	-0.1	
audi Arabia	(SF)	3.7505	-0.0001		3.7507		3,751			-0.1			
прарога	(35)	1,4020		015 - 025	1,4030	1,4010	1.3884	3.0	1,3024	2.7	1,357	25	•
outh Africa	(H)	3,9650		550 - 750	4,0300	3.8650	3.9937	-8.7	4.0453	-8.1	4.2885	-7.7	
outh Korea	(Won)	779.300		200 - 400	779,600		782,3	-4.6	785.8	-3.3	804.3	-3.2	
alwan	(13)	27.4825		910 - 840	27,4850		27,5025	-0.g	27.5425	-0.9		.:	
halland	(Bt)	25.2150	+0.D05	000 - 300	25,2300	25.1990	25.3137	-4.7	25.5175	-4.8	26,4	-4.7	

The FT GUIDE TO WORLD CURRENCIES, published in Monday's newspaper and covering over 200 contractions, is now available by distilling the following number from the keypad or bandset of your fax machine. 6891 437 091.

Calls are charged at 39phruin cheep rate and 49phruin at all other times. For service outside the UK please telephone +44 171 873 4378 for details on Cityline Internations

FAST 64 KBIT SATELLITE TECHNOLOGY FOR COMPLETE REAL-TIME DATA OF THE US AND EUROPEAN EXCHANGES FOREX, FUTURES, OPTIONS, EQUITIES, NEWS UNIDON AP 894 4007! 1 212 269 6760

FUTURES &OPTIONS FOR AN EFFICIENT COMPETITIVE SERVICE

RERKELEY FUTURES LIMITE 38 DOVER STREET, LONDON WIX 3RB TEL: 0171 629 1188 FAX: 0171 495 0022

FUTURES AND OPTIONS TRADING

Clearing and Execution Service 24 hrs Tel: +44 171 329 3030

Fax: +44 171 329 3919



NEW 24-HOUR FOREX DESK mpetinive Spreads, Minimum Transaction Size \$100,000 find our more about our friendly, professional service, call Denais Barron on Olf I 896 OOI I or write to us-IG Index pln., I Warwick Row, London SW IE SER



Futures, Options & Currencles with direct access to exchange floors Tel: 0171 702 1991



WANT TO KNOW A SECRET? 1D.S. Gann Saminar will abow you how the markets SEALLY work. The amazing trading techniques of the legandery W.O. Gan can increase year profits and contain year lesses. How? That's the secret, Book yest FREE place. Phons 9171 588 5858

ANALYSIS Daily Analysis & Trading Recommondations by Fax FOREX • METALS • FINANCIAL FUTURES • EMERGY For FREE TRIAL Fam. 01424 775168

SECURITIES AND FUTURES LIMITED PROBLEM Tel: (44) 171 417 9720 Fzz: (44) 171 417 9719 \$32 ROUND TURN

THE TAX FREE WAY TO PLAY THE MARKETS'

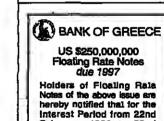
We are the leaders to financial and commodity

USD 150,000,000 ISTITUTO BANCARIO SAN PAOLO DI TORINO S.P.A.

Floating Rate Depositary Receipts due 1998 Interest Period February 21, 1996 August 21, 1996

Interest Amount due on August 21, 1996 per USD 1,000 USD 10,000 USD 100,000

BANQUE GÉNÉRALE DU LUXEMBOURG



February, 1996 to 22nd August, 1996 the following Information is relevant: 1. Rate of interest: 53/4% per annum 2. Interest Amount payable on Interest Payment Date: US\$ 271.74 per US\$ 10,000.00 nominal or

US\$ 6,793.40 per US\$ 250,000,00 nominal 3. Interest Payment Date: 22nd August, 1996 Agent Bank Bank of America International Limited

Over 90,000 issues - News headlines

 U.S. & int'l data As low as \$9/day; · For more information on Signal, call

Real-time quotes - Forex data

PUBLIC NOTICES

OFFICIAL NOTICE

The loss has been reported to us of the London Metal Exchange warrant No. 105401 covering 27 (twenty seven) bundles High Grade Primary Aluminium Ingots - Brand KPA3 - weight 25,039 Kgs. Nett - stored in varehouse Skandiarransport, Helsingborg.

We have been requested to issue 5 replacement/duplicate of this warrant Anyone claiming title to these goods is invited to enter protest by means of a Summons against the delivery of the said material or the issuing of a

C. SHAW LOVELL & SONS LTD.

31-35 Fenchurch Street London EC3M 3DX

Plantation House

6.0 i26å

0.4 497.6 -2.2 0.4 195.7 -2.4 10.7 820 15.7 1.3 106.2 7.2 1.3 106.2 7.2 1.3 106.0 5.2 1.4 14.9 3.4 1.7 154.0 5.2 1.4 1

10.7 83.0 1.9 106.1 1.9 142.2 2.9 139.6 114.9 101.0 1.7 154.0 1.4 81.4 1.2 154.0

- 584 17
1.6 1256 3.7
- 1161 17.2
9.5 156.7 282
22.6 156.9 114
- 136.0 225
3.3 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.9 25.6
- 146.

1.6 3792 13.0 -1.08 -29 -21 17.6 17.6 27 17.6 4 -31.9 -23 158.5 31.9 -28 118.2 16.1

16 1835 184 27 7975 02 08 1129 113 21 6585 126 61 637 168

1.5 677.4 12.5 - 118.3 7.1 4.1 167.5 14.8 5.1 132.6 17.2

- 799 93 12 953 29 25 1392 159

4.0 384.3 0.5 3.0 412.3 16 1.2 5121 .33 42 4222 15.8

- 105.2 10.2

8.0 1222 172
1.1 2365 0.3
1.1 2365 0.3
1.1 2365 0.3
1.1 2965 0.3
1.1 2965 0.3
1.1 2965 0.3
1.2 2.1 2961 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0.3 1420 1.4
0

0.9 254.7 16.9 1.1 17 15.0 4.1 154.8 15.4 1.3 372.6 8.1 1.5 167.6 7.0

- 112.8 - 28.8 - 1.3 - 1

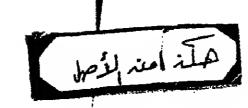
4.8

22

Elither Akk Talma

18

PLIT CAPITAL



LONDON SHARE SERVICE ENV TRUSTS SPLIT CAPITAL ### 1997 ### | Proceedings | Process | MRC Capiting 6,961 1,617 7,684 3,579 4,835 1,865 3,665 4,74,6 6,03,0 6,03,0 BEST STATES 34012 34012 2174 218 155 8512 1475 1475 1475 1475 1475 1475 1475 100 4154, 477 2228 251 251 1766 1766 1150 1650 1650 2054 Marie 173.00 160.00 160.00 173 Mar 3,242 81,91 1,291 1,291 1,291 1,291 1,201 1,200 1, 23.4 171.1 69.8 Laper 1 1.5 171.1 69.8 Laper ** S2 week

- high - high - high
- high - high
- high - high
- high - high
- high - high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- high
- hi Price E 14-512 75-56-2 29-53 19-53 19-53 19-53 19-53 19-54 207-4-9-5 207-4-9-5 207-4-9-5 1113 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 1443-4-1 The following investment wists are not eligible for inclusion in the FT-SE Actuates Store Inform.

Notes Price | 197 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 198 | 1 Visible trade set to COLUMN TO SERVICE STATE OF THE grow on 7th March 1996 | 284 | 131 | 14.3 | 6.3 | 10.1 | 12 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 TOBACCO WIP/ Recease reference reference in supergraphs to very two cannot be reference from the control of the control + 07 +13 Notes: Price 841 Inds. 4 (1) 573 12 pc in '03/18 £1227 ni Why? Because videoconferencing is reshaping the way we conduct business. It enables colleagues, customers and suppliers to work together face-to-face, sharing ideas and information without ever leaving their offices. Now you too can visualise the business benefits of videoconferencing by reserving your seat TRANSPORT **GUIDE TO LONDON SHARE SERVICE** Prices for the London States Service delivered by FT Exted, a member of the fiscancial Times Group.

Company classifications are based on those used for the FT-SE Actuaries Share Indices.

Cooling and-prices are shown in pence unless otherwise stated. Fights and bine are based on intra-day stid-prices over a reding EZ week period. Where stocks are denominated to corrected other than sterling, this is indicated after the name.

Symbols referring to dividend states appear in the notes column daily as a goods to yellook and PTE ratios. Dividends and Dividend covers are published on Moustay.

Manual contribution shown is calculated appropriate for each line of state. on Mousey.

Market capitalisation shown is extended separately for each line of stock, quoted.

Earnings used in calculations are based on BMR Tricadline Earnings formula.
Prioxicamings ustics are based on latest annual reports and accounts and,
where possible, are updated on interns figures.

Yields are based on mid-prices, are gross, adjusted for a dividend tax credit of 29 per cont and allow for value of declared distribution and rights. Yields are based on mid-prizes, are gross, edipated for a dividend tax credit of 20 per cent and allow for value of declared distribution and rights.

Estimated Net Asset Values (WAVs) are above for investment Trests, in pence per strare, along with the percentage discourts (Dist or presidure (Pri -) to the current closing share prize. The WAV basis assembles price starges at put value, convertibles converted and vermants essentiated 9 distribution occurs.

Interest the part value, convertibles converted and vermants essentiated 9 distribution occurs.

Interest the part occurs and prizes are published continuously through the Stock Sectionse Automosted Quotation systems (SSAO) and port-UK stocks through the SSAO Interestional systems. Higher and loves confused these bases been adjusted to allow for copital changes.

Higher and loves confused these bases been adjusted to allow for copital changes. Interfer since reduced, passed or deterred.

Higher and loves confused the share been adjusted to allow for copital changes.

Figures or report available.

Figures or report available. See details below.

1. USA, not fielded on Stock Exchange and companies listed on an approved exchange.

2. Price arressing or port available, see details below.

2. USA, not fielded on Stock Exchange and company not subjected to a same degree of regulation an haird security not approved to the start of suspension in progress.

Price and there of suspension in progress.

Finetacts dividend yield rifer pending scrip and/or rigids issue.

Mercy bet or recognisation in progress.

Finetacts dividend yield rifer pending scrip and/or rigids issue.

We have been a recognisation in progress.

Finetacts dividend yield rifer pending scrip and/or rigids issue.

Mercy bet or recognisation in progress. WATER

WA 70 PE 90057 PE 900557 PE 9 Notice Advisors Advis

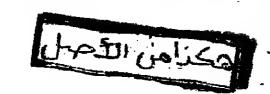
200

Andrew Services

The second

FT Cituling Unit Trust Prices are avail	able over the telephone. Call the FT Cibe	FT A		UNDS SERVI	CE		
OFFSHORE AND OVERSEAS	hat Reten Selling Staying - or Vald Clays Helen Peter - or's Royal Bit of Carolina Co. Selling a cont Contd.	init Mates Selling Deping - or Yold Clays Price Price - Gra	Saling Englay our Ticks Price Price - Swee West Instanct England Scientific Price Life	Like Robes Sading Burlon - or Yold Chape Price Price - Gry Ashiburton Global Funds Ltd (1200) Yeary Hea. Prospect Hg. Dauges, Indi	Saling Region Table Price P	Land State College State - Global Assets Francisco	Nikko Capital Mezergentett co Tota Afria Imazonet Food Maragement Co 15 th Arra (mandar) 15 th Arra (mandar) 16 th Arra (mandar) 16 th Arra (mandar)
BERMUDA (SIB RECOGNISED) Int. Parter Suffre, Buying or Net Red Price - Bry Fishelity Currency France Ltd Protonic iss. Protocole, Germana	The state of the s	Henderson Crocifivatio Investment Co 27 St Nay at Hill, London, ECSF 264 C000 Se; 206 C000 Se; 2	red became first state of the company of the compan	The first Management of the Property of the Park of Ireland Asset Management (ICMI) Left According to the Ireland Asset Management (ICMI) Left According to the Ireland Asset Management (ICMI) Left According to the Ireland Asset Management (ICMI) 1990 1990 1990 1990 1990 1990 1990 199	A TABLE TO		Hormatra Global Franci (a) 15 Marina — Grand Ball Amp 17 Substance — Grand Ball Amp 17 Ball Amp 17 Ball Amp 17 Ball Amp 18
Pring Green (800 4110) Prings (200 100 10) Pri	GUERNSEY (RESULATED)(**)	Control of the Contro	Europe Foud Hamagers Ireland Ltd overtible Par. STILL 2 001 Table Foud Hamagers Ireland Ltd overtible Par. STILL 2 001 Table Foud Hamagers Ireland Tab		Thing Portions - Transfer Deep - Transfer - Deep - Dee	13 May Counts. [-152] September Perform Feet II	58 d 33
Prices for density February 21 Jupities Typedial (Generatoria) Lind PO Box (64) 256, Heartforn, Boronets Jupities Typedial (Belleratoria) Lind Expression 1 (1998) 1998 September 1 (1998) 1998 Septem	Price Price or Yack Greens ARZ Magent Co (Generacy) Ltd Suppe lieuted in Freb. 1318.85 17.10	Figure 136 Separate 136 Separat	Isla Hamon Ireland Ltd SMETCASAGE \$10.04	Sen. Life Minimigration (India) Ltd P1 Bas 22 Confidence Par Sci. 1331 1 2002 PLSS 7.10 Utility Shark Global Purota Ple Whenly Penne, Prospect Ple Whenly Penne, Prospect Ple Whenly Penne, Prospect Ple Deliberty State Ple Hubbank Scientification Pond Ltd 19-21, Christin Rd, Dongton, Nat Sci. 1728 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Fidelity Femole (et Finale L-1021 Los SF 2174 Finale Fi	Secreta Investment SEAF (a) 14 Res Abringer, L-2951, tenterious do E.Z. 479 2976 Secreta Secreta Sec
Monoport Investment Management, 7-Front Store, Hamitro, Bernada us. 617 336 686 16 525 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Jose Note: Fund 17:312 2337 Bachanan Shot Investment Fund Ltd Bachanan Shot Investment Fund Ltd Grant State Control of the Con	State 211 Present	Market Fund Ple Market Fund Ple Stol 27 Region Investment Rignet (treined) 1.50 Region Investments (treined) 1.50 Region Investment	For AIC Fund Management one Sylvan Incompanies AIA Equative & Land but Franci Management one Sylvan Incompanies AIA Equative & Land but Franci Management on the Sylvan Incompanies of the Sylvan Inco	Control of the Contro		
Bernstude Inti Invent Nigman Ltd	Consulta (Claumet Internets) Liceted Consulta (Claumet Internets) Liceted Consulta (Claumet Internet) Liceted Duratura (Claumet Internet) Liceted Consulta (Claumet Internet) Liceted Claumet Internet (Claumet Internet) Liceted Claumet Consultation (Claumet Internet) Liceted Claumet Consultation Liceted Consult	Sign 1978 Gordon Garton	and Management (instead) Ltd	Second Facility (1997)	Minurals, Olfs Res. Sher. Fd. Inc. Mirror For S. Sher. Sher. Jack S. Sher. Minurals, Olfs Res. Sher. Fd. Inc. Mirror For S. Sher. Fd. Inc. Minurals, Olfs Res. Minurals, Olfs Re	Penal Parameter Control of Contro	C.1.
	Gold in the best case \$109.5 to 55 1		rd Europe Limited	For 69 Managers (CAS) Let see Back of Indice Asset. Qualities facti Manget (LoMf) Litel Secretia (Loss) (1985 1	The Portingal Fund Limited Logic Recognition of the Control of the		Scott Service and Francis STAN (a)
	Shinta Barra - 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	The last of the la	arope Worthwide Fault S11.37 - 0.051 - Fault Fault Pic East - 5795 8 191 - 0.191 ort Banson Bond Arbinage Fault Pic	JERSEY (SIB RECOGNISED)	Schroder Hoogt Services (Jessey) Ltd Schroder Hoogt Services (Jessey) Ltd Schroder Hoogt Services (Jessey) Ltd Schroder Hoogt Services (Jessey) Scringsour Keony Gee Mogent, Jessey TSS Found Managers (CT) Ltd TSS Found Managers (CT) Ltd	Service Register Service Dear Control 13 13 13 13 13 13 13 1	Sen Life Blobal Blanescentert Ltd (v) Or or Z. Confession, and Charles Sension Confession Confessi
Butterfield Management Co Ltd	Agent 198 250 198 198 198 198 198 198 198 198 198 198	Region 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	ord Benson Derivative Products Fd Pice Products - Dece 988	int Britis Series Series Series - or Table Con- ARS Franci Manusgers (C) List PO Brow 485 23 Vetter - Front Limited ARS Greened Correccy Front Limited Series 1900 Corr - 500 Limited Seri	LUXEMBOURG (SIB RECOGNISED)	ET in de Neseiri Lumpriburg 00 55 489750 Francis Lumpriburg 10	20 Calend-Hare L-2011 Lunerinbown Special Consension Co
PO 00 335, St Peter Fort, Galericary C 01481 710651	and the College 1-12 State 1-12 S	Bot Institute Table 1, 1985 1,	nvertinent Management Ireland Ltd on Cent 14 Pc. 153.32 3 40 -0.06 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	PU Bus I S. S. Heler , Prany 2	ASM AMPO Funds (b)	23 AC-9 Schedur, 1-2-50 Ltd 101 M2 AC	Edited Line of Management Line 33 Queen Savet Lord PC 1914 Date of Savet Date
PO Box 755 51 Peter Port Guerrasey G 01461 770651	The Annual Control of the Control of	Official State Sta	Preferred Share Fund ort Minisperment Ltd Preferred Share Fund ort Minisperment Ltd Preferred Share Fund Orthography Preferred Share Fund Orthography Preferred Share Fund Company Preferred Share Fund Share Fun	Courts Harmy Benefit Park Service D 51234 52244 Courts Harmy Benefit Park Life J 127 127 127 127 127 127 127 127 127 127	Southern Revail 14-5 contract; 00 de 2700 Million de 18-270 Millio	Cisiones Graphy Trial and Gra	LUXEMBOURG (REGULATED) (**) Saling Pulses or Trable Price or
		Singer & Friedlander Int Funds Ltd (u) Singer & Friedland	Greenfel Profunds Pic		BAII Asset Menagement Ltd	American State Co. Americ	The state of the
	Territoria de la compania del compania de la compania del compania de la compania del compania d	Man Na Bed St	Il Methad Funds Management ovan Fund pt. 1922 938 40 18 k Rood Fund horst Fund soal fu	Pull Samuel Fund Hours (1sy) Ltd (1000)F	South State	Agent Septiment	Alliance Capital Drowth as a tributary 20 Language Capital Drowth as a tributary 20 Language Capital Language Capit
	The Control of the Co		Source Feed Pic		Carlos San	The state of the s	216 2216 23 24 24 24 24 24 24 24 24 24 24 24 24 24
Services of the service of the servi	5 G 20th Proc Nat & Nat Nat 1 \$563.70 69.25		inchine Offshore Funds Pic (u) Figure 4 - 1873 - 1874 - 1	Mildiand Bank Fand Bankspars (Jensey) Ltd PD Ros 20, 3t Heler, Jensey (Jensey) Ltd JG Crauk Frand Bankspars (Jensey) Ltd JG Crauk Frand Bigras (CJ) Ltd (1200)F PD Ros 139, 3t Heler, Jensey Dankspars Beller (Grade Franksp	anchers Machineral Sarcharys Diversified Portfolio (2) A non Advingon L-1118 Control of the Cont	Lupitor Tyndall Global Found Implies Tyndall Global Found Implie	Street Bearings & Child C. S.
Cool European Lat 1 1002 537 2 433 4 4 4 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	halt. Weeks Seeling Buyling or Think Chings Price Price or Think Chings Price Price or Think Ching Price or Think	1 Harbourvascher Places, Dublin 1 DA Egypty	Management (treland) Ltd		Servicing him Funds (Lucemboury) 6 Peta de la San, L-1016 anty Rade (1997) 1 San		Contact Opportunity. The Architecturing Fund Scient The Architecturing Fund Scient The Architecturing Fund Scient Scient The Architecturing Fund Scient Scient Alternates Sicary Alternates Sica
According to the control of the cont	The state of the s	Alls Franch Management Ltd. All Franch Management Ltd. All Branch Management Ltd. All Branch Management Ltd. All Branch Management Ltd. All Branch Management Ltd. Apollo Fund Pic. Apollo Fund Pic. All Stores of 1000 1000 1000 1000 1000 1000 1000 1		PO Box 100, St Heller, Jersey Producing Courses Pd 6, 6 (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	31.00	4 no Adrigon Leuropolar 4 no Adrigon Leuropolar 5 00 352 4793 2336 4 10 Adrigon L-1116 Louropolar 6 10 352 4793 2336 6 10	Barque Industria Lucianthourn Final Alia
Loyds Intl Monary Market Franci Lid Sama Hay, Ia Francis, S Peter Pet Loyds See. Frant Hammer Loyds Se	OC. Grotal Francy ph	Asia Sorai Cos Grovets Fand (12) Asia Sorai Cos Grovets Fand (12) Asian Diversified Equity Fand (12) Asian Diversified Equity Fand (12) Asian Emerging Markets Fand (12) Asian Gerbaway Fand (12) Asian Asian Gerbaway Fand (1				boothy acceptor the party of th	Bill - Keystone Asia Promitor Fund W. Strong Standard Strong Strong Biniconcy Management Lid Strong Stron
M. S. G (Generatory) Lidd Westbourne, The Generatory Lidd Westbourne, The Generatory Lidd Westbourne, The Generatory Lidd Lidd Westbourne, The Generatory Lidd Lidd Lidd Lidd Lidd Lidd Lidd Lid	Courts & Co Fund Mayagers Limited	Asset Korea Fund 99.013	Assicable European/International	Softing Purples + 2" Thaid Miles + 2" Thaid	The state of the s		Carrient Investment Stangement St
Dolly Deposit Asset Management (C) Lt. Robert (C) L	Series Se		Investment Blanegement (Ireland) Ltd Learning Street Street Generale Group 19, 50 main S12,37 main Pic. S2,06 -0.12 and Pic. S2,06 -0.12	Crier Allen investment hissangement (C) Allen investment hissangement (C) Allen investment investment investment (C) Allen investment investment (C) Allen investment (C) A	The state of the s	The second secon	The property of the property o
	The Parish of th	Value E	Comp Fig. St 1.86 11.20 -0.17 0.16 Self-Book or 1.86 11.20 0.17 0.16 Self-Book or 1.86 11.20 0.17 0.17 Self-Book or 1.86 11.20 0.17 Self-Book or 1	User 2000 bet Jee 2	The Advances L-110 Lucembourg 0177 - 527 6400 competitions in 15 10.46		OW Feb 15. STORY -0.117 Immension Morea Emerging Grout th Panel OW Feb 10
Royal Br. of Canada O/S Fd Meyes Ltd. Flower	ST I LESS COMMISSION STILLS COMMISSION COMMISSION	Total Management of the Company of t	S780.61 48.70 - INCENT FRANCE S777.88 +14.98 - E OF MAN (SIB RECOGNISED) Link Tenton Soffing Spring + or Table Chap Holes Price - S74 Linky & Latte held Funed Miles	Other Price includes 3 yet in the Company of the Co	in acrate Book Science Report Scienc		
	AM Fraced Ripotengersent Ltd (re)	AVA LES Borrifor invest (ireland) Ltd	n. Prospect Hat, Doughas land - Original States of Parts		institute in institute in institute (al. SELAV institute in institute institute in institute insti	Common See See See See See See See See See Se	

24



FINANCIAL TIMES THURSDAY FEBRUARY 22 1996 FT MANAGED FUNDS SERVICE ● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details. The Royal Like instantational control of the contro Gobal Asset Blangs Mageine Emerging Mich Mingt (Jersey Mageine Emerging Mich Street 70.56)

Mageiner Funds

Mageiner Funds

Mageiner Funds

Mageiner Manageiner Minger Mageiner Minger Mageiner Minger Ming CMI loggrance Co Ltd Match Ass Con Barg Nov. She 78
Mitch Con Con Barg Nov. She 78
Mitch Con Con Barg Nov. She 78
Mitch Con Feb. Con Sant St. She 78
Mitch Con Sant St. She 78
M -032 وية وجوالونين عبد بنيها بثبان بيرتهاد For Dealt Land top Posture Court 14 A Shaleyela Fund (Labten)
NAFFeb 9
Shaleyela Growth Fund 13.67 Chil law Co Labo Charles Made Can Life Amore Constitution of the C STORE STATE OF THE EOS Films investment Products
EOS Films investment Products

EOS Films investment Products

EOS Films investment Products

EOS Films investment Products

EOS Films investment Products

EOS Films investment Products

EOS Films investment Inves Sabre Futures Fund First & Mercantile Latin American SICAV See County Harton rever & Mercantille Latin Attention SIGNV
Like American Nov. — 151
Recentlery Global Maget Co EA (a)
Recentlery Reversion Services
PRISE SIGN — 1512 (6) — 1515
Recentlery Manuagement SA (a)
Recentlery Manuagement SA (a) Resemberg US Japan Regent Co SA (u) Columbus Asset Management Ltd Cruse Enterprise Fund I.V.

Set & Settle Lie Settle Cruse Lie Settle Cruse Lie Cruse L Receivery Alpha Ford US Japon SERVING & MAY _____ | \$13.69 | -8.19 | Edimond de Rothechild Group Pricestatis is NOU—
Estimated des Rotthechtild Group
In hance bend
Anne Carrier in State of the Carrier

Anne Carrier in State of Anne Carr Craig Drill Capital Ltd

State April Capital L Gryptions International Text
Gryptions From Head Life Company
Group Does International Text
Group Coes International Text
Group Coes International Text
Gryption Borney Inc.
Gryption Borney Group.
Gryption Borney Gryption
Gryption Borney
Gryption Borney
Gryption Borney
Gryption
Gryption Borney
Gryption
Gry Merrill Lynch Asset Ranegement

Pater Asset Place
Francisco Foreita Silozo
Francisco Foreita Foreita Silozo
Francisco Foreita For ___ s15.80 | sol EurOptics (s)
Eu Senhawk International Inc.
Senhawk International Inc.
Senhawk International Inc.
Senhaw Int. Int.
Senhaw Int. Int.
Senhaw Int. Int.
Senhaw Int 521ga | ...1 -Brig Funda 13 Egypt Star Pale (International)

Egypt Star Pale (International)

Egypt Star Pale (International)

Egypt Star Call

Egypt Sta Merrill Lynch Buchten Income Page | State | St 国 Herrita Lynch Euternery
Idential Lynch Euternery
Idential Ce NUT for Vt. | \$14.05
For Internation from
AETHernitary Asset Management
Gent Inter International Line
Management And Assert Amagement (Bahaman) List Amagement 33 Span upon rooy ten 15. \$15.000 |
Shritz Fand Ltd | \$15.200 |
MAY Fee B. | \$15.200 |
Shanes Robinson investment linguit Ltd |
S.R. Cheef Paul Inc. | \$10.700 |
S.R. Cheef Paul Inc. | \$10.700 |
South Barney Funds | \$10.700 |
South Barney Funds | \$10.700 |
South Sensor Heart Condition | \$10.700 |
South Sensor Condi 3第 Minotalos International Ltd
MV Fol 15.
MV Fo Similar Company Section Security Company Compa 110 1318 nomens Asset Management beeds Chie Fd Ltd ____ 59.840 lentgomery Emery Communication RJ Schooler Bank & Trust Company 386 排 Deliver APT Japan Front
Deliver APT Japan Front
Japan Japan
Japan
Japan Japan
Japan Japan
Japan
Japan
Japan Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan
Japan Foreign & Colonial Enter eign & Coomes an investment (2) as amper by Co \$2.00° and investment Co. ### | =| 報籍 138E ment AG

SPC156 16 | ...|

SECTION FORM NV OTHER OFFSHORE FUNDS 選 Societe Generale Green Communication of the second part 1 -am I Strone Offshore United
Strone Offshore United
MAY Job 31
Summed Bloney Munagement (Bermuch) |
School Bloney Munagement (Bermuch) |
School Bloney Munagement (Bermuch) |
School Finance Corporation Whole Fee All Programme Pr 瓣 SUS DESCRIPTION Fund 2 And STORY 1 10 to 1 2 Miles Commission by 10 North Stor Fund Meuragers (Cayronn) Stemark Anaestope Femble
Anie Markets
Anie Markets
Anie Markets
Security Selection Fund SICAV Africe Emerging Markets Fund
NAV Feb 0 510.85 | ...|
Agricultures Fund Management Co

EBRUARY 22 1986 1EVT lemists|

2.5 E. 1.5 C. 1.5 E. :095

THE Senares trade

the combined 550p.550p.a

Wife ash. Though

c. one bean head

The contract of the shape shou bail effect undersage the deal and case a maiding this is to Chem a B not and - Combens

sees Wth 1 (14.5**5 - 16.**5)

on results 2000 2-- 1-2 /5 %

2.35 ·

Aran (22)

1 2 2 E 1020

7-25%

and the state of t and led some of the residence o

LONDON STOCK EXCHANGE

Rally in bonds restores confidence in equities

By Steve Thompson, **UK Stock Market Editor**

The gloom that has enveloped global bond and equity markets for the past four trading sessions finally looked to have run its course yesterday.

Bolstered by an early upward spi-ral on Wall Street - which was sharply extended in later trading and in bond markets, the FT-SE 100 index closed at the day's high and looked to be set to continue its strong performance this morning.

The Footsie easily recaptured the 3,700 level and finished 11.0 firmer at 3,725.6. The second liners fared less well, however, managing only a

4.1 gain at 4,182.0. Dealers said that Sales fell 0.6 per cent, against a conmost of the day's customer business was concentrated in seeking value in the leaders.

There was an upturn in activity in small company stocks, in the wake of the 50m smaller companies basket warrants issued by BZW late on Tuesday. BZW expects smaller companies to outperform the market. Each hasket represents an investment in 60 small companies, including Allders. Avon Rubber. Civde Petroleum, Graham Group, Persimmon and Stanley Leisure. London was given an additional

push yesterday by the latest economic news, which revealed a large decline in retail sales in January. sensus forecast of a flat performance, news which dealers said increased the chances of a further UK interest rate cut.

But the main bullish impetus for London came from bond markets. which made rapid progress after an uncertain opening. US Treasury bonds, which dropped 1% points in the US overnight, began to stabilise in European trading and then gal-loped ahead as Wall Street opened, taking the Dow Jones Industrial Average with them. The Dow was some 60 points ahead an bour after London finished.

News of another takeover bid, the increased 500p a share offer for

Lloyds Chemists from Germany's Gehe, was a bull point for a market looking for further action on the merger/takeover front. Speculators were busy hunting for the next bid candidates and again settled on Ladbroke, the betting to hotels group, and the insurance sector as

Ladbroke was aggressively bought in the cash and options markets, with traders continuing to take the view that a hostile move for the company would materialise. One insurance specialist said

the most likely targets.

sion to unify its chare struc-

ture would make it easier for

Any big rights issue could

However, analysts argued

that SmithKline had said at

Tuesday's results meeting that

it had no plans to raise capital.

international motor trader

Inchcape. BZW was said to be

looking for a buyer for 1m

sharply. Down 11 at one stage,

shares and the stock came off

There was also a revival of

worries about Inchcape's divi-

dend ahead of next month's

results (due March 25). Some

analysts expect the new man-

agement team to cut back hard

for 1995, possibly to less than

10p from the 15p paid for 1994.

profits warnings last year and fallen out of the FT-SE 100

index, the yield at Incbcape

Having issued a number of

A stock overhang depressed

the company to issue paper.

facilitate a bid, they said.

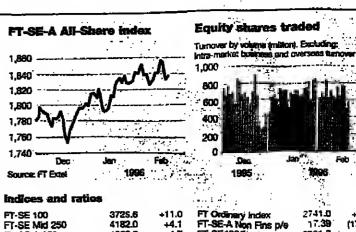
Zeneca added 3 at 1242p.

closed 4 off at 242p.

there was "knowledgeable" huying of London & Manchester, the life company, which has been cutting costs recently. The insurance group's increasing specialisation in pensions is said to have attracted the attention of the big composites. The Footsie was hit for six at the

outset, plummeting 25.9 points as marketmakers took avoiding action in the wake of the big sell-off in the US overnight. But with confidence gradually returning in gilts, the leaders clawed back their early losses and the Footsie eventually moved into positive ground an hour before the close.

Turnover at the 6pm count just crept above the 700m-share mark, settling at 710.3m shares, with non-Footsie stocks accounting for 53 per cent of the total. Retail husiness on Tuesday was worth £1.64bn.



FT Ordinary Index FT-SE-A Non Fins p/e FT-SE100Fut Mar (17.34) +7.0 FT-SE-A 350 FT_SF.A AB-Shan 10 yr Gilt yfeld FT-SE-A All-Share yield Long gill/equity ytd ratio: Worst perform Oil Exploration Laisure & Hotels Banks, Retail -0.3 Food Producers

FUTURES AND OPTIONS

3760.0

Calls 3.533 Puts 7.455

FT-SE 100 INDEX FUTURES (LIFFE) £25 per full index point

FT-SE MID 250 PIDEX PUTURES (LIFFE) \$10 per full index points

E FT-SE 100 INDEX OPTION (LIFFE) ("3722) £10 per full index point

3714.0

3718.5 3734.0

4180.0

3525 3575 3625 3675 37; 1891₂ 41₂ 153 8 108 131₂ 71 251₂ 41 2051₂ 191₂ 165 281₂ 1281₂ 411₂ 95 58 68 2191₂ 28 1801₂ 39 1451₂ 53 1131₂ 701₂ 85 242 451₂ 189 70 106 16 247 451₂ 109 701₂ 106 16 248 451₂ 109 701₂ 105 13

Calls 1 844 Pats 9,767 * Underlying ladex value.
† Long dated exply anoths.

MARKET REPORTERS:

-31.0 -31.0 -31.0

-10.0

EURO STYLE FT-SE 100 INDEX OPTION (LIFFE) £10 per full index point

3754.0 ..

3754.0 3760.0

3697.0

25 3775 3825 3875
45 19 73 712 111 212 1551
80 45 16612 28 139 1872 177
92 83 118 4472 143 30 184
110512 81 15812
1104 185

TRADING VOLUME

■ Major Stocks Yesterday

8:33 8:500 24:000 13:0 2:300 1:602 2:100 2:100 2:100 479 0:600 5:300 9:203 617 4,000

 $\overline{n}_{i,i}$

(APT)

Chemists bid war hots up

The hid battle for retailer Lloyds Chemists intensified yesterday as hoth German group Gebe and its bitter rival in the contested takeover. Uni-Chem. moved to deliver what they thought would prove to be the knockout blow. Early in the session, Gehe

announced that It had raised its cash bid for Lloyds Chemists to 500p a share, topping last week's increased final cash and share offer from UniChem. But the British bidder was determined not to be outdone and hrokers BZW and UBS, acting for UniChem, launched a market raid on Lloyds Chemists. The two hrokers purchased stock at around 497p a share and by the end of the operation bad raised Uni-

Chem's bolding In Lloyds to

just under 10 per cent. Turnover in Lloyds had risen to 30m by the close as the shares firmed 2 to 491p. Market watchers were surprised at the strength of the UniChem share price, which ended 7 ahead at 249p, although one analyst said: "There are those that see that a Lloyds/UniChem tie-up will be earnings enhancing in a very sbort time

One observer of the takeover battle said: "UniChem appears to be determined to win this one, although it is by no means over. The Germans only have to raise their offer slightly to be in with a chance

Royal Insurance, which reports today, leapt to the top of the Footsie performance charts.

The market took heart from rivals' results within the sector, particularly a lively set of figures from Commercial Union, CU announced £509m profits, against analysts' forecasts of between £456m and £480m, with figures belped by strong earnings In the company's life assurance and French arms.

Mr David Hudson of Credit Lyonnais Laing, wbo maintained his top of the range current year forecast of £525m. said: "It is the obvious defensive holding in the sector for

the next few years." Royals, forecast to produce profits of between £400m and £425m and a 25 per cent rise in the dividend, jumped 12 to 386p. In percentage terms, it pipped CU's rise of 16 to 614p.

GRE gained a penny at 246p. A late hurst of US huying sent Vodafone racing up the Footsie rankings, reversing recent weakness for the shares. An upheat presentation in New York sponsored by Goldman Sachs allowed the group to shrug off earlier forecasts of slow mobile phones growth over the next decade. Vodafone was notably optimistic about new subscriber cancellation rates. The shares finished as the second best Footsie performer with a gain of 6 at 2271/2p in 9.4m traded.

The electricity generators PowerGen and National Power moved ahead 7 to 532p and 8 to 478p respectively as Merrill Lynch turned buyer on the two stocks.

Merrill has taken a close look at the electricity sector and believes the generators are best placed to avoid the effects of a price war and that regulatory worries will not hit shareholder value, because it will be offset by the divestment of the

SmithKline Beecham shed 3 to 711%p against the trend among the sector leaders as investors reacted to several potentially negative factors. Firstly, there was selling on the back of SmithKline's £250m of provisions, which clouded the 8 per cent rise in its full-

Secondly, analysts said the company was one of the most beavily exposed to the US, where the Dow Jones Industrial Average had fallen for four consecutive trading days before yesterday's bounce.

Finally, some sales specialists were linking the company with Zeneca - to add a new twist to old bid speculation. They said SmithKline's deci-

FINANCIAL TIMES EQUITY INDICES

Feb 21 Feb 20 Feb 19 Feb 18 Feb 15 Yr ago "High "Lov
 2741.0
 2720.5
 2734.5
 2748.9
 2763.8
 2301.3
 2788.2
 2238.3

 3.87
 3.90
 3.85
 3.83
 3.81
 4.62
 4.73
 3.76

 16.49
 16.40
 17.06
 17.16
 17.25
 16.82
 21.33
 18.35
 Ordinary Shar Ord. div. yield 16.27 16.18 18.86

Open	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High	Low
2706.3	2712.7	2719.4	2719.5	2723.0	2724.2	2724.9	27283	2735.7	2741.0	2706.3
			Feb 21	Feb	20	Feb 19	Feb 1	S Fe	b 15	Yr ago
SEAQ be	rgains		30,449	3 30	,733	31,118	36,0	28 3	3,807	21,012
Equity tu	mover ((Em)†		- 16	15,3	1361.7	1864	,1 2	440.7	1382.8
Equity by	argainst			- 35	,690	37,902	41,4	76 3	9.336	28,351
Shares traded (milit				- 5	97.B	499.8	765	i.3	769.0	608.8
4F-4-6	intra-rec	intent byes	ness and	CHRES ASS	turnow	٧.				

Rises and falls	*	52 Week highs a	nd lows	LIFFE Equity optic	ons
Total Rises	387	Total Highs	55	Total contracts	47,635
Total Falls	854	Total Lows	37	Calls	17,851
Same	1,552			Puts	29,788
Feb. 21*Data b	ased on Equ	ity shares listed on	the Londo	n Share Service.	

Financial Times. World Business Newspaper.

Mastering Management is a 20 week series being published in the UK edition of the Financial Times, to which international readers

can also subscribe. The series of tabloid supplements, sponsored by United Airlines, comprises 19 modules ranging from Marketing to Business Ethics,

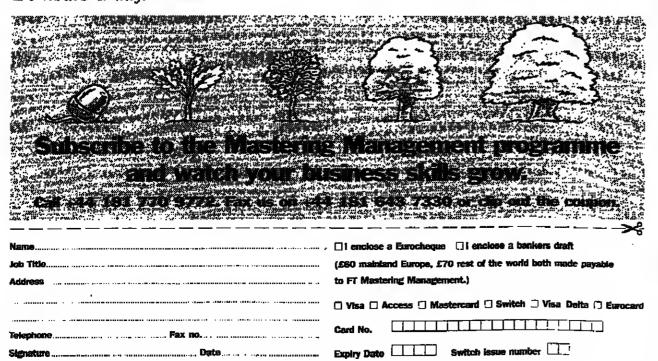
Strategic Management to Organisational Behaviour and Leadership

to Finance. Written by over fifty academics from three of the world's leading business schools - London Business School, Wharton (US), and IMD (Switzerland) - the course examines the latest thinking and current management practices. it builds into a valuable resource for those considering further business qualifications and provides practical guidance

for everyone involved in business management. At £60 for readers in mainland Europe (£70 for readers in the rest of the world), you can have the series delivered weekly, or complete at the end of the course. Subscriptions can be taken at any point during the series, and you can write or call for individual issues you may have missed.

Should you want to cancel your subscription at any time, we will credit you for the issues you decide not to receive.

Subscribe now to make sure you don't miss out; lines are open 24 hours a day.



has risen close to 8 per cent. The odds on a dividend cut were put at "even money" by

one sector watcher. Lex Service retreated further ahead of today's results statement. The shares fell 7 to 302p for a two-day decline of 5 per

Britisb Steel continued to improve, with the buyers keeping faith in the bope that today's London meeting between analysts and Usinor can add flesb to the French producer's recent positive statements. Usinor turned in upbeat profits on Tuesday and pointed to an early end for steel destocking in Europe.

In good two-way turnover of 11m, BS shares moved up 13, to 172p for a two-day gain of around 3 per cent.

Bank of Scotland lost 1 : at 284p as SBC Warburg reduced its recommendation to hold Abbey National dipped 7 to

592p, on turnover of 24m shares, with the same broker said to have been responsible for taking on and placing e block of 10m shares, taking a 5p a share turn in the process. Talk of corporate activity lifted electronics group Unitech 16 to 537p. Swiss utility

Elektrowatt, which holds 30 per cent of the group, was said to be negotiating hard with a trade buyer, Elektrowatt also has a 42 per cent stake in Eurodis Electron up for sale. Eurodis shed 3 to 306p. Poor press comment for Thorn EMI, following confir-

and figures on Tuesday, left the shares trailing 28 to 1623p, the worst Footsie performer. Among retailers, House of Fraser was a talking point on rumours that Mr David Dworkin, a former chief executive of Storehouse, will soon take the

mation of its demerger plans

reins at the company. The talk first surfaced in the dying minutes of Tuesday's session but gained strength yesterday, paying little heed to

the company saying: "No management changes are on the agenda at the moment.

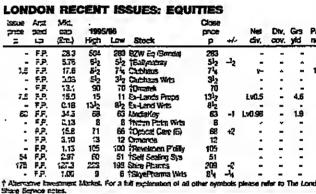
Shares in the retailer topped the list of the day's most active stocks in the FT-SE Mid 250 index after they climbed 11 to 188p. Volume was, bowever, uninspiring, reaching only 1.9m shares and leading some to point to a shortage of stock as another factor for the strong

performance. In leisure, Rank Organisation was a nervous trade ahead of today's figures and dipped 8 to 461p.

A profits warning from materials handling engineer Wagon Industrial sent the shares down 32 to 389p. Gossip ebout a hig deal in

the offing pushed Transport Development to 225p, np 8. Gases group BOC moved forward 7 to 919p. Merrill Lynch believes that the company is capable of producing double-digit earnings growth through to the end of the

Peter John, Joel Kibazo, Jeffrey Brown. decade and advises clients to bny the shares on weakness.



FT GOLD	MINE	SI	NDE	X				
	Feb 20	% cbg on day	Feeb 13	Year ago	Gross div yield %	P/E ratio	52 w High	mek Low
Gold Mines Index (33)	2315.65	-3.0	2386.74	1737.A2	1.43	-	2620,73	1686.3
ne Regional Indices.								
Atrica (18)	3148.20	-2.8	3239.60	2701.47	2.72	36.69	3553.86	2272.7
Acstralasta (5)	2663.21	-1.8	2770.71	1844.41	2.31	40.82	2927.34	1844 4
North America (12)	2027.90	-33	2096.12	1439.08	0.66	61.23	2186.39	1398.9

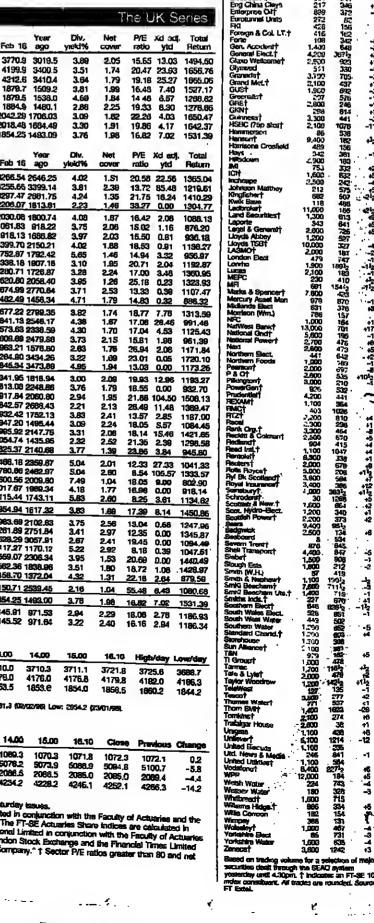
FT - SE Actua	ries Sh	are in	dices	3						he L	JK S	erie
		Feb 21	Day's chge%	Feb 20	Feb 18	Feb 16	Year	Div. yield%	Net	P/E	Xd ad	. Tot
FT-SE 100		3725.6	+0.3	3714.6	3744.3	3770.9	3019.5	3.89	2.05	15.65	13.03	1494
T-SE Mid 250		4152.0	+0.1			4199.9		3.51	1.74	20.47		1656
T-SE Mid 250 ex liny Tr	26 t 3	4198.2 1860.2	+0.1					3.64	1.79	19.18		
T-SE-A 350 T-SE-A 350 Higher Yiek		1863.5	+0.3					3,81 4,68	1,99 1.84	16.48 14.48		1527 1268
T-SE-A 350 Lower Yield		1861.S	+0.2	1858.8	1873.6	1884.9	1480.1	2.88	2.25	19.33		1276
T-SE SmallCap		2037.47					1706.03	3.09	1.82	22.20		1650
T-SE SmallCap ex law T T-SE-A ALL-SHARE	ruses	2016.39 1836.1S					1684.49	3.30	1.91	19.86 16.82		1642
FT-SE Actuari	es Ali-S	_	102	1002.12	10-0.22	105724	1400.00	3.70	1.80	10.02	7.02	1331
		Feb 21	Day's chge%	Feb 20	Feb 18	Feb 16	Year ago	Div. yleid%	Net	P/E ratio	Xd adj	. Tot
10 MINERAL EXTRACT		3221.45				3266.54		4.02	1.51	20.58	22.56	1365
12 Extractive industries(6)	4167.80 3253.15	+0.4			4255.66		3.81	2.39		85.48	
1S Oil. Integrated(3) 18 Oil Exploration & Pro-	1(15)	3253.15 2198.18	-0.7			3297.47 2206.07		4.24 2.23	1.35	21.75 38.27	16.24	1410
20 GEN INDUSTRIALS		2024.42				2030.08		4.08	1.87	16.42	2.08	1088
21 Building & Construction	on(34)	1062.35		1062.78	1060.58	1061.83	918.22	3.75	2.08	15.02	1.16	876
22 Building Mattis & Men	216(29)	1885.75	-0.1	1887.79	1903.86	1918.13	1686.82	3.97	2.03	15.50	0.81	936.
23 Chemicals(23) 24 Diversified Industrials(211	2439.13 1746.98				2399.70 1752.87		4.02	1.88	18.53	0.91	1136
25 Electronic & Elect Eq		2323.04				2338.18		5.65 3.10	1.46 1.95	14.94 20.71	3.32	956. 1192
28 Engineering(71)		2270.24	+0.2	2266.66	2267.24	2280.71	1726.87	3.28	2.24	17.00	3.48	1360
27 Engineering, Vehicles(2596.41				2620.80		3.05	1.26	25.18	0.23	1323
28 Paper, Pokg & Printin 29 Textiles & Apparel(19)	(R20)	2699.55 1477,47				2674.99 1482.49		3.71 4.71	2.53 1.79	13.33	0.39	1107
30 CONSUMER GOODS	(R1)	3612.43				3677.22				14.83	0.32	686.
32 Alcoholic Beverages(9		2774.01				2841.13		3.82 4.38	1.74 1.67	18.77 17.08	7.76 28.46	1313 991.
33 Food Producers(23)		2533.18	-0.2	2539.03	2552 .78	2573.63	2338.59	4.30	1.70	17.04	4.53	1125
34 Household Goods(15) 35 Heelth Care(20)		2556.68				2609.69		3.73	215	15.81	1.96	961,
37 Phermaceuticals(13)		1949.69 S150.10				1963.21 5264.60		2.63 3.22	1.76	26.94	2.08	1171
38 Tobacco(1)		4849.58				4845.34		4.95	1.09	23.01	0.05	1720 1173
(O SERVICES(253)		2315.44	+0.2	2310,80	2330.66	2341.95	1818.94	3.00	2.09	19.93		1193
1 Distributors(32)		2562.70				2813.08		3.76	1.79	18.55	0.00	932
42 Leisure & Hotels(23) 43 Media(48)		2835.74 3814.43				2917.84 3842.57		294	1.95		104,50	
44 Retailers, Food(15)		1908.81	+0.3	1902.79	1925.18	1932.42	1752.13	2.21 3.83	2.13 2.41	28.49 13.57	11.48 2.85	1369
48 Retailers, General(43)		1918.15	+0.1	1915.89	1935.58	1947.20	1495.44	3.09	2.24	18.05	S.57	1084
17 Breweries, Pube & Re 46 Support Services(49)	SC(24)	2981.71 2061.18	+0.1	2978.46 :	2963.04 2060.00	2995.92 : 2054.74	2147.76	3.31	2.08		15.46	1421
19 Transport(21)		2299.22				2325.37		2.32 3.77	2.52 1.39	21.35 23.86	2.39 3.84	1298. 945.
0 UTILITIES(33)		2461.70		_		2486.18		5.04	2.01	12.33		
32 Electricity(12)		2754.58	+0.B	2738.92	2760.68	2780,66	2482.97	5.04	2.60		105.57	1041. 1333.
64 Gas Distribution(2) 96 Telecommunications(7)		1600.31 2028.46	415	1600.56	1603.78	1600.56 : 2017.67	2009.80	7.49	1.04	18.05	9.00	802.
38 Water(12)		2092.26	-0.2	2096.64	2109.37	2115.44	1743.11	4.18 5.83	1.77 2.60	16.96	0.00 3.61	918.
9 NON-FINANCIALS(66	ŋ	1835.04				1954.94		3.83	1.68	17.39	8.14	1134.
TO FINANCIALS(108)		2954.32	-0.1	2956.10	2974.75	2963.69	2102.63	3.75	2.56	13.04	0.68	1247
71 Benks, Retali(3) 72 Benks, Merchant(6)		4198.50 3491.28	-0.3	4212.48	4244.77	4261.89	2751.84	3.41	297	12.35	0.00	1345
3 Insurance(24)		1428.87	+1.1	3496.45 : 1412.63	1417.38	3528.29 : 14 17.27 :	3057.91 1170 12	2.67 5.22	2.41	19.45	0.00	1094
4 Life Assurance(5)		3535.78		3534.86	3544.82	3559.07	2306.34	3.95	2.92 1.53	8.18 20.69	0.39 D.DO	1047.
77 Other Financial(23) 76 Property(41)		2543.95	-0.1	2547.21	2553.69	2562.36	1838.96	3.51	1.80	18.72	1.08	1440. 1426.
D INVESTMENT TRUST	S(197)	1447.78 3118.35				1458.70 3150.71		4.32	1.31	22.18	2.64	879,5
8 FT-SE-A ALL-SHARE		1836.15				1854.25		2.16	1.04	55.48	6.43	1080.
-SE-A Fledgling		1146.09				1145.91		2,94	1.98	16.82		1531
-SE-A Fledgling ex Inv Ti	usts	1146.23				1145.52		3.22	2.29 2.40	18.08 16.16		1186.: 1186.:
Hourly movem												
Ope		19.00	11.0			13.00	14.00	15.00	16.10	Higt	/day L	ow/da
r-SE 100 3688. r-SE Mid 250 4166.		3707.2 4173.8		_			3710,3	3711.1	3721.	372		3688.7
-SE-A 350 1844		1852.2				176.0 653.5	4176.0 1853.e	4176.8 1854.0	4179,	8 418	22.0	4186,3
									1858,		0.2	

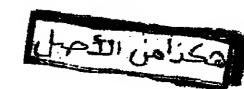
The FT-SE Actuaries Share indices are calculated by FT-SE international Limited in conjunction with the finefalts of Actuaries. © FT-SE International Limited 1996, All Rights reserved. The FT-SE Actuaries Share accordance with a standard set of ground rules established by FT-SE International Limited in conjunction is and the institute of Actuaries. "FT-SE" and "Footsle" are trademarks of the London Stock Evidence and the Institute of Actuaries. "FT-SE" and "Footsle" are trademarks of the London Stock Evidence and the Institute of Actuaries.

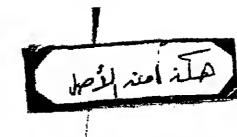
1069.3 5068.6 2096.1 4241.9

1068.4 5069.1 2086.7 4235.8

1068.6 5077.0 2090.0 4226.0







FERRINARY 25		
189	FINANCIAL TIMES THURSDAY FEBRUARY 22 1996 *	27
Pader Hader	71 100 000 100 100 100 100 100 100 100 1	+/- High Law 26% 17% +1 2512 79% -08 1.98 0.8 47 2.95 +1 7.750
	Annalar 1,988 =10 2,055 12:5 25 - Lolina 801 =19 1,052 78 28 - Thresh 225 +170 306 543 22 - Prilip 8710 +10 830 553 24 - Calle 1855 +150 174 62 42 - Breman 4 560 - 53,053 20 - Height 250 - 12 709 520 11 - Whome 68 - 21,100 710 - 12 709 520 11 - Whome 70 70 - 25 709 70 70 70 70 70 70 70 70 70 70 70 70 70	
Printing Sectors	ONY 944 - 10 1.199 8001 21 - Disus 727 80 - 15 10 10 17 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 10 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 10 1 1 2 4 - 15 10 10 10 1 1 2 4 - 15 10 10 10 1 1 2 4 - 15 10 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 1 1 2 4 - 15 10 10 10 1 1 2 4 - 15 10 10 10 10 1 1 2 4 - 15 10 1	120 20 24 45 14 15 16 16 16 16 16 16 16 16 16 16 16 16 16
101 102 103 103 103 103 103 103 103 103 103 103		+ 36 % 194 - 17 65 - 12 24 17 6 - 18 153 103 - 14 153 103 - 14 144 64 - 14 224 134 - 13 234 75
700 to 100 to 10	## 150 100 100 100 100 100 100 100 100 100	14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
285 3000 1	1023 44/400 -480 4500 022 200 15 - 1025 200 - 10 500 00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	12 13 114
	Separation 1.00 -0.00 1.00 1.00 1.00 1.00 1.00 1.0	12 11 11 12 12 13 15 15 15 15 15 15 15 15 15 15 15 15 15
2 17-10: Stocks Vectoring	When Rockwell isn't powering the Shuttle into space it's delivering into the state of the state	4444444 4 4444 11444444 4 4444 11646444444 4 4444
	100 100	17:18:18:28:28:28:28:28:28:28:28:28:28:28:28:28
	Sophus B 180	11-17-55-55-55-55-55-55-55-55-55-55-55-55-55
- - - - -	Finds 79 -210 98 8	14 444 11411444 1441141444 1441141444 14411414444 14411414444 144114444 144114444 144114444 144114444 144114444
	Sumpor 240 -4 279 105 1.8 - 10407 585 37 - 4771N 18810 -501070 184 58 - 5010 12.80 00 -10 -10 -10 -10 -10 -10 -10 -10 -10	-15 504 504
	FRANCE (Feb 21 / Frs.) Fig. 1 48 67 77 17 17 18 18 4 105	
	Critical Ration 105.40 4.56 11450 92.25 1.8 AP	20 90 44 20 20 20 20 20 20 20 20 20 20 20 20 20
	Feb	27 20.70711 20
	Composite Colored A.S. Colored	250 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
	Decrements Objections Objective Decrements Objective Decrements Objective Decrements Objective Decrements Objective Decrements Objective Decrements Decrem	28 32 7 10.75 12.55 15.50 15.50 15.50 15.50 15.50 16.5
	SES Sents (1978)	24 5.3 24 5.3 custed on the last insist a from Jan 7 divided as the last insist in 18 5. [Piccol in 15 5.]
Andrew Andrews	Open Sett Price Change High Low Est. vol. Open Rt. Books Open Sett Price Change High Low Est. vol. Open Rt. Books Open Sett Price Change High Low Est. vol. Open Int. Building. Open Sett Price Change High Low Est. vol	
	Mar	07 -4 72 -5
	· · · · · · · · · · · · · · · · · · ·	

Chrise Prov. Class +14 +14 +14

+1₂ -1₈ -1₈

* *****

+4

1985/96 High Law Sheek, 42¹2 20 GenSig 55¹5 50³5 Generated 41⁵5 18¹4 Gen Instr 8¹4 2 Generate 18 5²4 Generate

| Year |

- D ·

のなる からかないとう | Table | Part | Part | Table | Part | Part

- B -

BE OUR GUEST.

367₆ 29 BCE 1214 614 BET ADR 61-2 376 BET ADD 61-2 376

Radisson ...

When you stay with us in **BRUSSELS** stay in touch -with your complimentary copy of the

FINANCIAL TIMES

8-1 5-4 Charlets
71-7 32-7 Chassel
6-1 72-7 Chassel
6-1 75-7 Chassel
6-1 15-7 Chassel
6-1 1

1908/99
1909 Low Stack
2919 48 Secind
7*3 519 Beller/Prop
74% 6819 Selekti
25*3 17*4 Selekti
25*3 17*4 Selekti
25*3 17*4 Selekti
25*3 17*4 Selekti
27*5 Selekti
27*5 Selekti
27*5 Selekti
28*5 Selekti
28*6 Selekti
2

28¹s 201s DFI. Holdig x 1.30 5.2 15 506 22¹s 25 22¹s 34¹s 21¹s Data
34¹s 24¹s Data
34²s 24¹ 30³g 12¹g EsterApe 13¹g 9¹g Ethyl 13⁷g 10⁵g Europe Fd 10¹g 14¹g Eucetstor 68¹g 28¹g Eucet 68 60¹g Eucet s

241, 121, 1880 House
2112 10 MCTof ACR
2112 10 MCTof ACR
2114 121, 1816 House
212 10 MCTof ACR
214 121, 1816 House
214 10 MCTof ACR
214 121, 1817 House
215, 1816 House
210 110 18 27 7100 c551, 534, 555, 42
214, 1817 House tab
22 121, 1816 House
221, 1816 Household
221, 1816 Household
222, 1816 Household
223, 1816 Household
224, 1816 Household
224, 1816 Household
225, 1816 Household
226, 1817 House tab
227, 1817 121, 1817 122, 1817 122, 1817 123, 1817 1 6 219 213, 2053 2145 0.85 4.6 17 1413 105; 193, 193, 1.32 8.1 19 184, 184, 184, 1.80 2.3 18 538 695, 667, 695, 3.00 3.7 15 9320 617, 67 617, 好好 人名特别克特特 好 人名 人名特 人名特 人名斯 人名英格兰人名 人名英格兰人名 小孩子的好 好好 好 好好 有子好子作了子的好

235g 123g 8P inc 235g 134g P Tim 105g 10 Bit Prophy 2 5 3 GF Ka 214 275g indre Per 214 275g indre Per 214 275g indre Per 214 275g indre Per 224 2 215g 8P et 48 224 2 215g 8P et 48 224 2 23g 8P et 48 48 33 Bit Per 48 48 32 Bit Per 48 33 25 b inc 33 25 b inc 33 25 b inc 33 25 b inc 34 175g inclined 24 25 bit per 48 25 11 bit per 48 26 11 bit per 48 26 11 bit per 48 26 11 bit per 48 27 14 14 bit per 48 28 15 bit per 48 28 16 bit per 48 28 17 bit bit per 48 28 17 bit bit per 48 48 28 bit

- K
30-4, 24-5, M.M. F. Dich, G.B1
24 0 1599
33-8
33
33-8
31
32-9
31
32-9
31
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9
32-9 - K -

867, 321, NCH Curp

8687, NCH Curp

86

- N -

.1. 23 -1. +1. +1. -1.

0.52 2.7 24 178 25 2 25 25 16 0.20 3.8 636 10 934 16 0.52 6.6 7 132 44, 45, 45, 45, 26 52 1.20 15 21 1505 65 25 1.9 25 25 1.20 15 21 1505 65 25 1.9 25 22 1.120 15 21 1505 65 25 1.9 25 1.120 15 21 1505 65 25 1.9 25 1.120 15 21 1505 65 25 1.9 25 1.120 15 21 1505 65 25 1.9 25 1.120 1.5 20 1.2 22 1.120 1.5 20 1.2 22 1.120 1.5 20 1.2 22 1.120 1.12 25 25 1.12 25 - R -2514, 1814, RLI Carp
10. 812, ROCTAINANA
516, 414, RIPS Routing
517, 4512, Reloter
517, 4512, Reloter
517, 4512, Reloter
52, 514, Reloter
51, 512, Reloter
51, 513, Reloter
51, 514, Reloter
51, 514, Reloter
51, 514, Reloter
51, 614, Reloter
51,

中一年 一日十十年 中一年 十十年 十十年

| 1996/86 | 706. 97 | 54 | 1996 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 1496 | 149 -0-- L ż .1₈

1990/99 Hugh Law Stuck
15-1₅ 11-1₆ Reysto Con
25-16-1 Keysto Int
12-16-2 Tri-1 KombCl
45-1₆ 22-1₂ Knythis
16-1₆ 5-1₄ Knythis
12-5-1₆ Keystoryte
12-5-1₆ Keystoryte
12-5-1₆ Keystoryte
12-1₆ 11-1₆ Kome Fol
48-1₂ 34-1₂ Knyth
33-1₂ 23-1₂ Knyth
16-1₂ 11-1₂ Knyth
16-1₂ 11-1₂ Knyth
17-1₂ 11-1₂ Knyth
18-1₂ 11-1₂ K

51₂ 11₂ 1A Geor 44 351₃ 13 5 En 621₂ 161₄ 151 La 301₄ 151₃ 301₄ 151₃ La Custo 34 251₃ LaCusto 65 251₄ 161₃ Lacusto 66 251₄ 161₄ Lacusto 66 251₄ 161₄ Lacusto 66 111₄ 101₄ Lacusto 66 111₄ 101₄ Lacusto 66 111₄ 101₄ Lacusto 66 111₄ 101₄ Lacusto 67 111₄ 181₄ Lacusto 67 111₄ 181₄ Lacusto 67 111₄ 181₄ Lacusto 121₄ 111₄ 181₄ Lacusto 121₄ 111₄ 111₄ Lacusto 121₄ 111₄ 111₄ 111₄ Lacusto 121₄ 111₄ 111₄ Lacusto 131₄ 111₄ Lacusto 131₄ 111₄ Lac

0.90 3.4

- M

-4

44.744

是我是我的我的我的我的 由我我的我

+5₈

4

+5₈ +1₉

| Title | Property | P

- H -

4 1 ** ****** **

1.26 2.7 11 345 505
1.20 2.5 1110281 457
2.60 8.0 15 7.9 107 1514
2.1.16 7.7 107 1514
2.1.16 7.7 107 1514
2.1.16 7.7 107 1514
2.1.16 7.7 107 1514
2.1.16 7.7 107 1514
2.1.16 7.7 107 1514
2.1.10 0.5 25 509 21
2.1.10 4.9 12 8160 2014
2.1.10 4.9 12 8160 2014
2.1.10 4.9 12 8160 2014
2.1.10 5.5 1324 2019
2.1.10 5.5 1324 2019
2.1.10 5.5 112 2019
2.1.10 5.5 112 2019
2.1.10 5.5 17 457 5514
2.1.10 5.5 17 105 3014
2.1.10 5.5 17 105 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10 5.5 17 135 3014
2.1.10

51-2 84-4 PMH
49 34's PPS is
12 83-2 PS Smoop
15's 13's Pac Am ion a
27's 14's Pac Smoop
15's 13's Pac Am ion a
27's 14's Pac Smoop
27's 14's Pac Smoon
32 17's Packer
33's 13's Pac Smoop
33's 13's Pac Smoop
13's 13's Pac Smoop 514 344 Proper Di
574 84 Proper ID
575 84 Probe Int
525 203 Propus Int
251 203 Prof Cos
47 307 Prof Cos
48 124 0.22 0.5 14 1398 4 225 52 9 29 31 824 0.42 10.5 357 6.54 1.8 12 60 2 14 2092 4 4.08 7.1 12 10.5 10 12 455

424

1352 8552 8652 1452 1452 1452 1452 1353 1353 1354 经工程工程 不好好 安村教徒 nobe a se

هلَّة أمنه لأص

FINANCIAL TIMES THURSDA	AY FEBRUARY 22 1996 *	29
مراوات المتارات المتا	COMPOSITE PRICES	NASDAQ NATIONAL MARKET 4 pm closs February 21
76 S61 ₂ Scriston 1 150 2.0 27 8007 751 ₄ 74 751 ₄ 11 ₂ 29 111 ₄ Scriston 0 16 0.7 24 2131 24 223 ₂ 24 4-1 ₄ 271 ₂ 201 ₃ Scriston 0 16 0.7 24 2131 24 223 ₂ 261 ₄ 261 ₅ 4-1 ₄ 271 ₂ 201 ₃ Scriston 0 10 0.5 175 173 174 174 174 20 161 ₅ Sorton 0 10 0.5 10 25 173 174 174 174 215 123 ₅ Scriston 0 10 0.5 1173 173 174 174 174 215 123 ₅ Scriston 0 10 1174 177 174 174 217 218 ₅ Scriston 0 10 1174 177 174 174 217 218 ₅ Scriston 0 10 1174 177 174 174 218 175 175 175 175 175 175 175 175 175 175	551, 374 7mpts 1 20 2.8 0 1271 421, 414, 4174 418 504, 231 tempt 504, 342 tempt 504, 343 tempt 5	## Accord Cp 41 409 26 th 25 to 26 to t
392 212 System 79 50 10 1292 51 5 5 14 15 17 17 18 18 18 18 18 18 18 18 18 18 18 18 18	224 29 10 1028 714 72 844 844 14 44 14 44 15 14 12 10 12 10 10 10 10 10 10 10 10 10 10 10 10 10	Aller Part 12 2857 16 1 15 15 15 16 14 17 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
284 212 Senoto 0.50 22 18 374 20 272 273 44 18 684 272 Sony 684 272 Sony 0.24 0.127 1607 595 59 565 14 14 14 14 14 14 15 15 16 16 16 16 16 16 16 16 16 16 16 16 16	250 7.0 1 10 5 54 257 2 351 2 351 4 124 114 Westform 25 164 194 Frame 25 17.0 17.0 17.0 17.0 17.0 17.0 17.0 17.0	APP BO 103 440 74 74 74 74 74 74 74 74 74 74 74 74 74
20% 12% Standard at 0.32 2.2 8 55 15% 14% 14% 14% 14% 14% 14% 14% 15% Standard at 0.56 58 65 239 18% 18% 10% 14% 15% 15% 15% 15% 15% 15% 15% 15% 15% 15	249 USF 128	## BE B 00 11 72 7% 7% 7% 7% 7% 7% 7% 7% 7% 7% 7% 7% 7%
2-1 1/2 Superior 100 2.1 1589 13-1 13-2 13-3 13-1 13-1 10-1 10-1 Super Food 1.6 2.5 13 169 117-1 17-2 17-3 17-4 13-4 13-4 13-4 13-4 13-4 13-4 13-4 13	13/4 10/2 Undergraved 0.38 3.2 27 12/2 12/4 12/4 12/4 12/4 12/4 12/4 12/4	Bornet 25 3586 187g 107g 184g - 1g Books Drg 1.18 8 30 387g 371g 381g Books Drg 1.18 8 30 381g 371g 381g Books Drg 1.18 8 30 387g 371g 381g Books Drg 1.18 8 30 381g 381g Books Drg 1.18 8 30 381g Books Drg 1
P/ Shr Stock Div. E 1006 High Low Cross Chap CrossA7 A 0.24 2 Cross Chap CrossA7 A 0.24 2 Cross Chap	State Process Proces	Cattorium 128 17 363 337g 331g 331g 331g 331g 331g 331g 331
B&H Down 1.60 11 43 2½ 2½ 2½ 44 Ecote Fa 0.32 2 Belgerifer 0.80 13 4 264 28 264 4 4 4 Ecote Fa 0.80 13 4 264 28 264 4 4 4 Ecote Fa 0.47 13 255 18 175 175 175 4 5 Ecote Fa 0.32 2 Belgerifer 0.40 12 833 4 5 5 6 4 4 4 Ecote Fa 0.47 13 255 18 175 175 175 4 5 Ecote Fa 0.48 18 20 2½ 2½ 2½ 2½ 2½ 2½ 2½ 2½ 2½ 2½ 2½ 2½ 2½	21 22 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	Common 2 2 85 3% 3% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5%
In a world we nobody should a "second-bank" Don't sit around waiting for pass you their copy of the Order your personal subsci	or colleagues to 7 6 5 7 6 7 6	Correction 0.28 18 4254 25% 25% 24% 24 4 4 1 160 134 134 134 134 134 134 136 134 134 134 134 134 134 134 134 134 134
Just call: 800-628 800-628-06 212-75	8-8088 (US) 007 (Canada) 52-4500 12-308-2397	DSC Cm 2017760 35½ 34½ 34½ 55% 43½ 55% 43½ 55% 43½ 55% 43½ 55% 54½ 50mp 1351478 36 32½ 35% 43½ 34½ 35% 43½ 36% 54% 54% 45% 4½ 35% 43½ 36% 54% 54% 45% 4½ 35% 43½ 36% 54% 54% 54% 54% 54% 54% 54% 54% 54% 54

WORLD STOCK MARKETS

Greenspan testimony lifts bonds, equities

Wali Street

Rising bond prices helped the US equity market roar back from Tuesday's tumble, putting shares on track for a positive finish after four sessions of losses, writes Lisa Bransten in New York.

Morning activity was almost a mirror of Tuesday's session, with blue chips in the Dow Jones Industrial Average rising more than 50 points and trig-gering the "downtick rule" that restricts computer buying. On Tuesday the "uotick rule" was set off in morning dealing after the Dow had tumbled in excess of 50 points.

At 1 pm the Dow was 46.24 stronger at 5,504.77, the Standard & Poor's 500 had rallied 5.90 to 646,55 and the American Stock Exchange composite was standing 4.72 ahead at 563.24. Volume on the New York SE came to 245m shares.

Bonds had been shaken on Tuesday by the congressional testimony from Mr Alan Greenspan, the chairman of the Federal Reserve, which was interpreted as a signal that the economy was not as weak as many investors had come to believe. However, investors were reassured yesterday when Mr Greenspan, in sive open beart surgery. The

index was up 10.93 at 2,915.34.

Market

Brazil

Colombia¹

Venezuelai

South Koreas

Indonesia^a

Malaysla

Sn Lanka*

Greece

Jordan

Hungary

Poland*

South Africa

Composite

show number of ines

Belgium (34) ... Brazil (28).....

Euro/Mid East

Mexico

China*

Latin America

There was a positive initial reaction in Mexico

City to trade data which showed a January

surplus of nearly \$780m compared to a deficit of

\$250m s year earlier. By midsession the IPC

Concerns over forthcoming company earnings

and reports that unemployment and inflation

were both rising continued to exert a dampen-

ing effect on the market. Telmex slipped from a

firm opening to stand at 11.84 pesos by noon.

stocks

(23) (145)

(35) (83) (76)

(47) (8) (8) (22)

his second day of testimony. implied that the Fed's interest rate policy remained flexible.

Technology issues were mostly stronger, with the Nas-daq composite up 8.54 at 1.091.78 and the Pacific Stock Exchange technology index 1 per cent firmer.

The computer maker Dell Computer continued to gain from anticipation that earnings reports to be released later this week would he strong. Dell added \$1% to the \$2% it rose on Tuesday, bringing the shares to \$34%; in the same sector, Hewlett Packard climbed \$21/4 to \$97%, having risen \$\% on

Delta Air Lines moved up \$1% to \$75% after the carrier agreed to a tentative costsavings plan by its pilots union. ValueJet, Delta'a primary competitor, fell \$4 to \$22%, while most other airline companies were higher. UAL, parent of United Airlines, gained \$5\% at \$183 and AMR. parent of American Airlines. was \$2¼ stronger at \$83%.

St Jude Medical rose \$11/4 to \$38% on news that the privately beld Heartport had received permission from the US Food and Drug Administration to begin human trials of its device that allows less inva-

Trade data support Mexico City

EMERGING MARKETS: IFC WEEKLY INVESTABLE PRICE INDICES

over week on Dec '95

% Change

507.39

355.65

702.67

603.51 494.59

62.22 124.93

104.87

123.69

296.74

154.79 256.19

183,28

570.37

271.31

142.56

340.71

FT/S&P: ACTUARIES WORLD INDICES

indes

Sterling Index

two companies are working together on the technology.

Toronto's rate of decline eased after Tuesday's gold-induced weakness, but the TSE 300 composite index still managed to shed a further 11.09 to 4,952.71 by 1 pm. This time the financial services, oil and gas and gold sectors seemed almost equally to hlame.

Banks rebounded after dropping on Tuesday, with Bank of Nova Scotia putting on C\$% at C\$30% in some 1m shares dealt. one of the market's most active stocks at midday. Sceptre Resources, the natural gas company, rose C\$% to C\$9%.

SOUTH AFRICA A sharply lower ballion price

BUENOS AIRES was slightly higher by mid-

day as the country's ADRs gained ground on

Wall Street. The Merval index was 2.96 up at

523.46, having fallen to 507.94 in early trading.

Dealers said they would be watching a senate

debate later to see if cost-cutting measures by

SANTIAGO was nearly 1 per cent stronger in

Feb. 15 % Change

over week on Dec '95

-0.9 -0.7 -2.7 +10.4

-12.2 -0.6 -1.5

early trading, with the IGPA index standing

President Carlos Menem would be approved.

1,304.89 1,158.06

1.609.04

315.10 4,123.61

128.09

133.02

221.29 273.52

810,41

211.99

473.77

Gross Div. Yield

Inciex

US Dollar Index

Pound Sterling Index

4,381.95

50.83 ahead at 5,608.46.

+16,5 -6.1

+9,1 +11.3 +18.8

+15.0 -0.8

+9.3 +6.1 +32.4 -0.8 +33.8

+5.1 +**36**.4

indices are calculated at end-week, and weekly changes are percentage movement from the previous Friday. Base date: Dec 1989–100 except those noted which are: (1)Feb 1 1991; (2)Dec 31 1992; (3)Jan 5 1990; (4)Dec 31 1992; (3)Jan 5 1992; (3)Jan 4 1991; (7)Nov 6 1992; (8)Sep 26 1990; (9)Mor 1 1991; (10) Dec 31 1992; (1)Dec 31 1992; (1)

There are expectations that the flow of funds into the world's emerging markets will

rise this year after a disappointing performance in 1995, writes John Pitt. Mr Michael Howell at ING Barings forecasts that some \$50bn could come into the sector during

1996, which would redress the balance: investors turned cautinus following the 1993

peak, when inflows reached a record \$62bn. He senses that most of the money will be directed towards two regions: Asia Pacific, and specifically Malaysia, the Philippines,

Thailand and Indonesia; and pre-emerging markets, such as eastern Europe and Russia.

"Together, these regions will receive around \$20bn, or some 40 per cent, of cross-border equity flows in 1996," says Mr Howell, "but they only comprise roughly 25 per cent of the overall emerging stock market capitalisation. Share prices could, therefore, rise

His expectations are echoed by Mr David Hale of Zurich Kemper Investments, who believes that the "odds are high that investor demand for developing country securities will rebound this year". Considering the Mexican crisis at the end of 1994, Mr Hale

will rebound this year". Considering the Mexican crists at the end of 1994, Mr Hale notes that this event "has demonstrated the resilience of the economic ideas which have turned formerly closed economies into magnets for foreign investment". He is also positive about eastern Europe, and forecasts that the region will come into the limelight during the course of this year. "A revival of securitised capital flows to emerging markets will permit Poland, Hungary and other east European countries to privatise state enterprises at higher prices than would have been possible last year, and thus to further reduce their budget deficits," he argues.

hit the golds sector. However, brokers remarked that volume was low and that they expec-ted some volatility ahead of the budget on March 13. The overall index fell 82.3 to 6,649.6, the industrials index shed 79.9 to 8,312.8 and the golds index dropped 80.7 to 1,702.0. De Beers defied the trend with a rise of R1 to R119 on reports that good progress bad been made in talks with Russian diamond producers.

Paris pores over Thomson possibilities

The government's announcement that it intended to proment that it intended to proAerospatiale and Dassault Aviceed with the privatisation of Thomson SA by the end of the year absorbed PARIS.

The news hurt Thom-son-CSF, the defence electronics subsidiary, which fell FFr14.90 or 11 per cent to FFr119.10. Thomson SA. in which the state has a 76 per cent stake and France Telecom 20 per cent, rose FFr1 to FFr1,061 in a technical trade.

Brokers said there was still little detail about bow the government would tackle the sell-off, but there was a possibility that the state would not place the stake through an equity offering.

One dealer suggested that Thomson SA, which had debts of some FFr19bn, could be sold to a corporate buver, with speculation that Alcatel might be interested. Alcatel lost FFr5.30 to FFr439.60. Another broker commented that the market was surprised at the departure of Mr Alain Gomez as chairman, since he bad appeared to have done a good iob in difficult circumstances. The CAC-40 index made its first advance this week with a

There were rumours that the government would announce

rise of 4.54 to 1,936.90. Turn-

ation, as part of a shake-up of the defence sector. Dassault rose FFr42 to FFr452 and Lagardere Groupe, another defence company, by FFr6 to

FFT126.5 AMSTERDAM powered above the 500 level, helped by some good corporate news. The AEX index added 4.27 at 503.94. DSM led cyclicals with a jump of Fl 10.90 or 7.7 per cent to Fl 153 after announcing the planned conversion of a 20 per

cent stake, held by the Dutch government, into cumulative preference shares which would be placed with institutional investors. Following the transaction the state would be left with an 11 per cent holding. Following the announcement analysts said that one consequence of the deal would be to

the shares could reach FI 165 in the medium term. Philips rose Fl 1.10 to Fl 67.10 as it said that it was to spend FFr2bn in 1,400 jobs in France on a project which would include the upgrading of its Le Mans factory to become the world headquarters of its mobile telephone business. The

company planned to manufac-

ture 4m GSM mobile tele-

pusheo down non-ferrous

lift earnings per ordinary

share, and they speculated that

FT-SE Actuaries Share Indices Open 10.30 11 99 12.00 13.00 14.00 15.00 Close Hourty changes FT-SE Eurotrack :00 1S12.45 1S13.14 1514.04 1515.41 1518.93 1520.84 1521.94 1521.99 FT-SE Eurotrack :200 1624.35 1623.29 1623.12 1626.54 1626.35 1628.91 1829.20 1638.05 Feb 16 Feb 15 Feb 19 Feb 20 1520.51 1539.28 1537.82 1510.94 FT-SE Eustrack 200

phones a year from 1997. KNP BT, the paper and packaging group, rose F1 1.90 or 4.3 per cent to Fl 46.10 as its 1995 results exceeded expectations. Unilever lost another Fl 1.60 to Fl 225.10 in a further reac-

tion to Tuesday's figures.
FRANKFURT started at its worst and ended near its best. The Dax index bottomed early at 2,358.49 as Bremer Vulkan filed for insolvency, and closed 28.58 or 1.2 per cent ahead at an Ibis-indicated 2,401.59 after modest gains in bunds and the dollar, and the rebound in the Dow. Turnover rose from DM6.3hn to DM8bn.

The Bremen-hased shiphuilder slid another DM13.55 or more than 46 per cent to DM15.75. One of its main creditors. Commerzbank, hit an early low of DM328, but traders downplayed the Bremer effect and the bank's shares finished

Company results began to count. SAP, the computer software group, saw its prefs up DM8.30 or 3.8 per cent to DM225.50. Ms Jadwiga Bobrowska at Merck Finck in Dosseldorf thought this might be a

delayed reaction to the 50 per

cent dividend rise announced

at the weekend. Meanwhile, Puma, the sportswear manufacturer, announced near-doubled profits, took its shares up DM12 to DM436 and dragged Adidas up by DM2.55 to DM90.25.

MADRID ran up its gas and electrical utilities, and Telefonica by Pta60 to Ptal.925, as the general index set a new all-time high, up 4.20 at 338.67. Gas Natural rose Pta12.50 or

6.4 per cent to Pta20,950. Demand for gas was going to grow extremely rapidly in Spain over the next five to seven years, said Mr Peter Planting-Gyllenbaga at CS

First Boston; he downgraded Sevillana, and the stock stood still at Pta915 as electrical utili-

ties gained 2.1 per cent. MILAN was encouraged by January inflation data which showed a slight decline monthon-month decline. The Comit index finished up 5.02 at 589.29

after the data lifted the currency and bond markets. Fiat fell L8; to L5,095, Olivetti was up L10.9 at L925 and Montedison moved forward

L42-to L915. STOCKHOLM featured a 44 per cent gain in Astra A. up SKr12.50 at SKr296 on a 25 per cent profits gain, and on news of an upcoming US listing. Ericsson Bs rose SKr4 to SKr142.50 but Volvo's results came in helow expectations and the carmaker fell SKr2 to SKr134.50 as the Affärsvärlden General index closed 22.8 or 1.3

per cent higher at 1,803.6. OSLO matched Stockholm, with the total index up 9.77 at 765.52.

The seismic group Petroleum Geo-Services was up NKr11.50 to NKr161.50, after NKr167, following a company presenta-tion. Norsk Hydro rallied NKr5 to NKr268.50, and Kvaerner A by NKr8 to NKr218.

Written and edited by William Cochrane and John Pitt

over was FFr3.4bn.

Nikkei down 1.4% on domestic selling

The 225-share index ended 283.44 or 1.4 per cent lower at 20,322,30 and 20,655,27. The decline was the sharpest so far this year and was driven largely by heavy selling of Nikkei-225 futures, which prompted investors to unwind long arbitrage positions.

The 225 index incurred a further decline in the afternoon due to heavy selling by disappointed brokers who had expected buying by public fund managers. In recent sessions public fund managers at trus banks had contributed to hold ing down overall market losses, according to market

There was some foreign buying of shipbuilders and autoparts makers, although foreign investors had moved recently from active support of the market to a wait-and-see position. Domestic institutional inves-

Technology stocks remained sluggish, although Sony reversed its slide of the previous two days, climbing Y140 to

St George Bank was another

Tokyo

Share prices fell for the fifth consecutive day, dragging the Nikkei average to its lowest close since January 24 amid selling by domestic corporate investors and arbitrage-linked trading, urites Gwen Robinson

20.372.23 after moving between

Concern over external factors such as the overnight plunge in New York stocks and volatility in commodity markets, where gold prices fell while crude oil surged, drove many participants to the side

analysts.

Volume came to an estimated 334m shares on the first section, against Tuesday's 336.48m. The Topix index of all first section stocks dropped 17.20 to 1,572.71 and the capitalweighted Nikkei 300 shed 3.40 to 294.15. Declines far outpaced rises by 839 to 213, with 161 issues unchanged.

tors stayed on the sell side.

Y6,340. Pioneer, which fell Y140 on Tuesday due to a larger than expected revision of losses for the current business year, rebounded Y40 to Y2,030. The sharp fall in gold prices

metal shares, Sumitomo Metal Mining lost Y30 at Y980. Carmakers continued to suffer selling pressure following the yen's recent appreciation, Toyota slipping Y30 to Y2,290 and Nissan Y15 to Y324.

Banks further weakened on continuing concern about the government's bail-out plan for housing loan companies. Datichi Kangyo Bank dropped Y40 to Y2,020 after losing Y30 on Tuesday. In Osaka, the OSE average

declined 160.90 to 21,545.24 in volume of 45,94m shares,

Roundup

Bombay joined the holiday crowd, but Seoul came back to

SYDNEY managed to pull

itself off early lows on late buying and the Ali Ordinaries index lost a net 7.3 at 2.238.2. Turnover was A\$306.1m. Banks and gold shares were

among the hardest hit, National Australia Bank receding 30 cents to A\$12.10 and Plutonic Resources, the gold miner, by 25 cents to A\$7.00. The golds index fell 2.8 per cent, while the banking sector lost 2.2 per cent.

News Corporation, the international media and entertainment company controlled by Mr Rupert Murdoch, bucked the day's trend, jumping 24 cents to AST, S6. Some brokers suggested that the gain could be attributed to a number of factors, including a rum-

our that one of News Corp's

UK tabloid newspapers was to

lift its advertising rates.

This agreed servent appears as a matter of record only

Lincoln National

(UK) pic

Tuesday's 10 per cent rise, and closing at A\$8.80 as National Australia Bank said it had built a 5.8 per cent stake, NAB made it clear that it harboured no intention at present to mount a full takeover bid. WELLINGTON reflected high short-term interest rates and a

climber, adding 30 cents to

weakening Dow, but a late rally brought the NZSE-40 index back from a 17-point decline to finish 8.52 off on balance at 2,082.51. Brokers said interest rates

were "too attractive" for investors, with a guaranteed return of 8.63 per cent on 90-day bank bills at current levels. BANGKOK eased slightly in thin trade, the SET index los-

ing 5.58 to 1,379.38 in turnover

of only Bt3.3bn. The communi-

consequence of a fall of Bt10 in United Communication Industry to Bt364. COLOMBO saw the all-share

index close just 0.70 softer at 655.33, with turnover, in spite of block trades, down from SRs26.62m to SRs13.60m.

MANILA, on the other hand, calculated that foreign funds might return today after the long Chinese New Year holiday, and the composite index gained 12.94 at 2,936.65 after languishing in negative territory for most of the session.

SEOUL was slightly easier, with some heavy falls seen among blue chips. The composite index dipped 6.03 to 893.31. Korea Electric Power shed 2 per cent to Won23,900 and Pohang Iron and Steel lost 1.5 per cent to Won51,900.

Abbey National plc

Issued by Margar Grenfel & Co. Limited, which is regulated by The Securities and Futures Aut

The right results

has disposed of its private banking First National Finan Henry Ansbacher Group Compagnie UAP **TransAtlantic Holdings PLC Holdings PLC** has disposed of its 60% holding in Sun Life Holdings PLC Syn Mun Kong Insurance Public Company Limited We advised TransAtlantic Holdings PLC ı Grenfell & Co. Limited 23 Great Winchester Street, London EC2P 2AX Tel. 0171 588 4545 Facc 0171 545 6180

Westpac Banking

Corporation

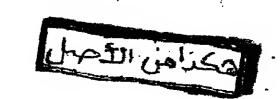
Deutsche Morgan Grenfell

 $1_{AV_{\{\gamma_i^{\alpha_i}\}}}$

- 14--

√.≘-

146,78 171,08 138,89 139,75 154,18 150,44 122,00 282,54 116,57 154,20 139,12 144,65 127,93 127,93 340,90 447,98 194,33 227,85 54,38 85,27 114,25 101,43 367,84 518,67 80,10 62,32 177,43 202,71 346,86 256,33 294,85 230,31 129,21 158,75 171,46 186,53 142,47 184,49 175,08 226,146 198.11 197.94 185.61 177.88 208.04 199.37 181.47 154.74 155.58 149.17 179.17 171.71 185.88 178.14 171.80 164.45 451.16 432.38 259.88 248.97 72.54 68.52 154.83 148.47 138.15 1090.73 280.44 298.76 79.94 76.51 238.27 228.43 460.80 421.80 398.51 381.90 172.30 165.12 316.13 302.00 230.16 220.60 189.13 181.25 233.76 224.02 284.25 253.24 172.91 200.32 189.09 199.28 152.43 215.81 292.54 170.25 156.09 158.71 290.14 304.88 169.96 276.11 145.05 191.17 128.73 771.60 447.97 451.19 226.62 262.70 85.72 62.71 101.61 164.82 518.67 561.85 5395.17 1237.14 208.83 456.21 202.28 85.49 202.77 243.78 296.33 456.21 334.03 437.76 169.18 172.30 320.59 324.51 167.35 239.55 184.98 183.95 224.02 235.50 264.25 269.11 195.86 155.00 148.11 283.85 171.68 182.54 483.13 285.45 285.45 285.45 276.36 225.44 440.46 374.63 164.17 300.52 217.84 181.01 222.39 108.30 103.48 198.33 118.95 123.51 113.57 302.63 172.51 48.28 101.43 353.01 741.15 185.47 53.35 157.51 307.75 261.75 114.71 209.87 Hong Ka and (16).. Italy (59). -2.4 0.0 -2.8 -1.4 -0.5 -0.8 -0.4 -2.1 -0.7 -0.7 -1.4 -0.3 -0.9 -1.1 ...20.50 1104.99 ...276.5279.54 Spain (37). 152.21 126.47 155.38 175.37 Thatland (46)... .231.66 175.37 196.24 173,82 196,24 264,25 269,11 156,60 180,88 202,76 245,54 134,44 153,32 174,52 204,70 183,44 209,17 242,89 295,02 110,67 126,21 114,11 171,97 120,50 137,43 137,07 183,39 169,40 193,20 256,99 262,26 121,00 138,00 147,16 184,61 161,81 218,76 255,54 292,69 127,40 136,46 141,38 194,71 135,92 155,02 172,03 207,84 157,34 178,44 224,48 240,96 241.11 231.07 204.36 195.87 278.82 267.20 188.24 161.23 183.19 175.56 257.54 246.81 183.95 176.29 291.61 279.46 184.57 176.88 208.84 198.03 239.19 229.23 229.01 194.09 265.24 158.29 173.11 244.63 174.52 279.08 160.01 135.81 185.32 .238.56 -1.1 180.25 200.60 -1.1 -0.8 -0.4 -0.5 -1.1 -0.6 -0.3 -0.6 -0.8 2.20 3.02 1.81 1.17 2.03 2.21 2.44 2.88 2.07 1.94 2.94 Americas (778) 180.25 200.60 182.78 240.84 124.59 113.61 136.25 138.35 182.54 254.25 137.36 146.35 219.65 254.83 137.28 140.58 153.96 170.69 178.87 222.56 -0.9 -2.0 -1.8 -1.1 Nordic (137)_ 110.50 120.95 170.92 121.94 194.99 Europe Ex. UK (525) Pacific Ex. Japan (351) 152.92 156.21 329.25 231.57 174,43 195,62 121.87 136.68 160.78 169.58 World Ex. US (1755) 227,27 158.79 178.87 222.55 209.06 200.35 137.51 156.83 176.74 209.68 168.20 171.72 -1.3 167.89 138.34 155.83 175.38 -0.8 2.13 Copyright, FT-SE international Limited, Goldman, Sachs and Co. and Standard & Poor's, 1996, All rights, rega



.00748(ingly is

rend by hare-are dring again

inal observe

to De Colombia

ma beine

terrorships ne

e en amigera, e hat

a) S one undran

the University of home

ं किए मुक्ता के बहु

and the business

a of configure

probe

rkets

- rate to the total of the tot

T 100 F

二.0年

11.00 E 15p2.

ा । १५ द्वारामा उक्त

្តាស់ **ទើ**ង

THE COMPANY 9466

- .:. - :: Li+ place

人名 "如 的新華

. ...et ine fil

the Co

.... jout 122

2011年 40年度

THE PARTY OF THE PARTY

of the

The state of the s

A TAR

the first the fi

ing

produced to the first of the fi

- A 55.00

140x : 1.0

First, the pleasantries. Emma Thompson's intelligent adaptation of Jane Austen's exquisitely-shaped novel offers routine comfort to admirers of this well-tried genre. It is hard not to admire the easy grace and classy understatement which Lee elicits from his cast; but one perhaps expected more from a director who was specifically brought in to provide a non-English perspective to the

proceedings.
Thompson also plays Elinor Dashwood, the eldest of the three sisters caught in a delicate ronde of romance, deceit and betrayal, and by some dis-tance the most sensible head bobbing in a sea of fragile bearts. Elinor, dignified, intelligent, sensitive, is the key to book and film, and Thompson rises easily to the challenge.

Not that her performance is flawless; she has made the repression of emotion something of a career party-piece, and some of her mannerisms. lingered over rather too lovingly hy Lee, are irritatingly miliar. She also occasionally moves into a different gear from her fellow actors, her speech patterns taking an uncomfortably modern inflection. Yet just as one's doubts begin to become conspicuous, out comes a magnificent final scene of such emotional rawness that it takes the breath

Thompson's weakest moments come in her nervous sparring with Hugh Grant's stuttering Edward Ferrars. Once again, over-familiarity is to blame; Grant's robotic carriage - Prince Charles with concrete in his breeches - and mannered attempts at quiet charm vary little from film to film, and Lee should have been ruthless enough not to fall for

In fact, apart from a couple of unusual camera angles and a splendidly high-gothic sprained ankle scene, the director's presence is unobtrusive, as if weighed down by all that Brit-thesp tradition. Best of a Winslet, who gives the impulosition.





The best of British; Ewan McGregor in Danny Boyle's degenerate drug-fest, "Trainspotting", and Kate Winslet and Emma Thompson in 'Sense and Sensibility', all period-piece elegance

Bulging vein or stiff upper lip

sive Marianne depth and credi bility, and Alan Rickman's hrooding Colonel Brandon, who accomplishes a great deal by talking twice as slowly as anyone else.

The opening sentence of Austen's novel - "The family of Dashwood had been long settled in Sussex" - is the kind of thing scholars like to discuss for hours, swirling every word round their tongues to savour fully that famous ironic after-taste. Trainspotting too begins notably; though Boyle's scabrous adaptation of Irvine Welsh's novel has the adrenalin rush of substances foreign to most palates.

Renton (Ewan McGregor) is heing chased through the streets of Edinburgh by a thumping legy Pop soundtrack and his own reflections on why his "sincere and truthful" junk habit beats the banal trappings of most working lives. All this in about the time it takes Hugh

But the pace scarcely lets up. Boyle's film is in turns pathetic, funny, honest and close-to-unwatchably revolting. It is episodic in strocture Renton and his friends do little more than indulge in their habit, try to kick their habit, return to their habit. There is a very minor plot development in the final reel, and an almost touching ending.

But Trainspotting, from the writer-director-producer team responsible for Shallow Grave, is primarily about taking heroin. It is occasionally seen as a pleasurable activity; yet there is plenty of grimness and sordidness around. Boyle's master-stroke is to spurn the obvious route of social realism and use thrillingly abrupt changes of set, tone and mood.

There is, for example, a sex scene set to an Archie Gemmill goal. There is a vicar who unknowingly quotes Iggy Pop in a funeral oration. In an severely tested when Renton try to see it straight after Sense female star allowed to act after Partly too, the film is about

SENSIBILITY (U)

TRAINSPOTTING (18) Danny Boyle

SENSE AND

Ang Lee

CASINO (18) Martin Scorsese

mistakenly "passes" two sup-positories which he tries desperately to retrieve. It is an unequivocably disgusting moment, but just as you think you can take no more, it turns exquisitely lyrical.

Add to Boyle's visual flair the best use of a rock sound-track since Mean Streets and a script with some very funny moments - most notably in a why-it-is-hell-to-be-Scottish sequence - and you have a film of rare visceral power. If

and Sensibility and come away with a special understanding of the gulfs in British culture, or even a new-found lust for life.

Peter Aspden

The founders of Las Vegas were America's answer to Horatio Nelson. "I see no desert," they cried, clapping binoculars to blind eyes. And they built a glittering gambling heaven in a place designed by nature for snakes and cacti. In Casino Martin Scorsese

gives us Paradise, Nevada, half a century on. Robert De Niro, in a dazzle of dayglo jackets, is the Jewish-Italian casino boss supervising corruption in his 1970s palace. Joe Pesci, repris-ing his foulmouthed human beetle from Goodfellas, is his partner in violence, using anything from fists to cattle-prods on difficult customers. And Sharon Stone storms across the screen, showing that Holly-

As De Niro's headstrong exprostitute wife, driven to drink, drugs and tantrums by a disenchanted married life, Stone gives this three-hour film the kiss of novelty it sorely needs. Nicknamed Goodfellas 2 by some, it shares the same screenwriter, Nicholas Pileggi, the same eclectic

expressionism of style (from the tumbling of giant slow-motion dice to Bach's St Matthew Passion on the soundtrack) and the same male double act et the centre. Like Barry Levinson's Bugsy, Scorsese's film wants to capture the infernal romance

of Las Vegas before it became today's all-family theme park. So Casino is partly about that old standby, honour among villains. The hotheaded Pesci is forgiven everything but betrayal, and "Can I trust you?" becomes De Niro's cate-chistic catch-phrase to the

know that De Niro will be blown up by a car bomb; it happens in flash-forward at the beginning. So the main story becomes a dance of fate whose rhythm counterpoints absurdist stoicism (De Niro) with a self-destruct, almost equally absurdist, spontaneity (Stoce).

If Casino is Goodfellas 2. Stone replaces Ray Liotta as the gangland conscript whose fallible bumanity unravels a world of smooth-running evil. Stone scampers terrifically through her role. She weeps, roars, hisses, flounces: she clutches her lewels and furcoats as if they were her life. But no one in this film ulti-mately has a life not because its message is about dehumanisation, but because a Scorsese busy erecting his same-again Mafia architecture has failed to notice that the true, fresh and real have fallen into the foundationwork.

Nigel Andrews

Theatre/Alastair Macaulay

Old relationships seen in a new light

both Chopter Two and Skylight, the man is a widower; and both plays are amusing and tender. Terrifically cute and terrifically sentimental, Chapter Two is as harmless an entertainment as the West End currently has to offer. No rude language, no boring bits, no politics, no emotion you have not

his week has brought to the

West End two plays - Neil

Simon's Chapter Two and

David Hare's Skylight -

about the love problems experienced

by a mature man and woman. In

felt a million times before. Sharon Gless is perfectly charming, and Tom Conti does nothing worse than wear the wig and the jeans from Hell. You could take your entire family and be fairly sure that everyone would have forgotten it the morning afterwards. Neil Simon is a shrewd manipula-

tor of his audience. First, as Chapter Two demonstrates, he softeus us up by a busy supply of jokes. Then he mixes jokes with a tender emotional situation in rapid alternation. Then,

to a nice heat, he coats us with the statement, but thank you all the rich treacle of adult emotionalism. same." The worst thing, especially in George Schneider's wife Barbara has died; he misses her terribly. Jen-Act Two, is the winsome Parthian shots all four characters like to nie Malone has just come through a make. George says to Jennie, "You divorce; she is desolate. Egged on by know, we may have one of the most Leo and Faye, George and Jennie start to go out on a few dates with other people, relnctantly and unsucbeautiful marriages that was ever in trouble," as he chooses to walk out

Conti is a skilful player, in his cessfully. Nothing could be cuter under-energised way. He knows, for example, how to draw all the attenthan the accident whereby they find themselves speaking to each other for the first time on the phone. tion to himself while he is listening to someone else. I wish I found him Whirlwind romance, sudden marriage, post-marital blip, temporary appealing; or convincing. Sharon Gless is very appealing indeed. She alone brings Chapter Two some of separation, happy ending. The best thing here, as always with Simon, are the jokes. Jennie the moral weight that once distinexplains that she is an actress. guished the best tradition of Ameri-George, a novelist, is unimpressed, can romantic comedy. lan Redford, bluff and amiable, sounds too unbut says "Actresses can be very ... er ... Jennie cuts him

Weston is simply splendid as the robust Faye. If this comedy were on TV she would soon be given a spin-off series of her own.

Skylight, unlike Chapter Two, rattles around in your head afterwards. It is far more serious for several reasons. but mainly because it is emotionally much more realistic - which is why it is also much more funny. And the ending has just the kind of surprising neatness and sentimentality that

Nell Simon would adore. It has faults. The central character of Kyra is less individualised than the father and son who enter her flat during the play. In balf her big scenes with Tom (the father, and her ex-lover), as she explains why she prefers living alone in discomfort and teaching to being his mistress and living in comfort, she starts to woman before our very ears. It is easier to believe in why the Tom-Kyra romance will no longer work than in wby it once did. John Gunter's designs distract as with odd questions about the spaces offstage. But you can admit all that, and still enjoy Skylight.

"There is no peace in you," Kyra says to Tom. The remark sheds light on all that has gone before. Tom -superlatively played by Michael Gambon - is ceaselessly energetic. He is a materialist, a seif-made man who has set up a chain of successful restaurants, a man who believes in self-fulfilment. Kyra, though she was his secret mistress, believes in help-ing others to fulfil themselves. The dialectic between the two - sometimes close to that in a Shaw play carries on even after he has gone.

Sure, this is Thatcherism meeting socialism; but the best passages are when we can concentrate on these two specific people. Paradoxically, it is Tom whom Hare, for all his social conscience, makes more credible. It is highly interesting to compare

the way the two characters are played, in Richard Eyre's excellent staging. Lia Williams's performance, perfectly focused, makes us feel that there are thousands of women just like Kyra. But Gambon makes us feel that there is no one in the world with all the details of Tom's nervous aystem and physical energy and invigorating wit. Not since The View from the Bridge in 1987 have we seen Gambon act with this power. Sometimes both Gambon and Williams turn up the theatricality a little too evidently. But you hang on what Kyra and Tom have to say, it matters to you; and you are put through

Chapter Two is at the Gielgud Theatre, Skylight at Wyndhams.

Ballet 'Beauty' fifty

years on

he court of King Flo-restan XXIV has never looked grander at Covent Garden than it did at Tuesday night's gala to commemorate the reopening of the Opera House 50 years ago. In a gesture grace-ful and grateful, the Royal Ballet invited 29 members of the 1946 cast to sit on stage and watch the third act. Happily, too, the Queen - who was there on February 20 1946 was again in the Royal box.

Certain sympathies are owed to the present dancers, being surveyed at closest quarters by onr ballet's illustrious past, but it was a pleasure to see these artists once more. It torr at the heart a bit to recall Pamela May's golden Aurora – an interpretation of radiant nobility; to remember Violetta Elvin's debut and the excitement of discovering her eloquent Bolshoi style; to see Dame Beryl Grey and be aware once more of ber gener-osity and grace as the Lilac Fairy; to watch Nadia Nerina sitting beantifully poised, and remember that from being a little nursemaid by the cradle in 1946's Prologue she became one of the most brilliant of Auroras. And there was Leslie Edwards, the ideal and only Catalabrtte, his presence as vivid when watching today's dancers as when be danced with them, an exemplar of dignity and aptness in mime.

To those of us who grew up with the company at Covent Garden, nostalgia was one of the fairies at the Christening. How much we owe to these artists who worked with such distinction to bring our national hallet to greatness. And, as crown of the evening, Dame Ninette de Valois appeared on stage in her 98th year: still "Madam" to ns, audience as well as dancers, to whom she gave classical ballet in Britain. We cheered. In the years of her directorate, I used to look up to the company box to be reassured by the glimpse of her intent profile turned towards the stage. She was there; all was well. Involuntarily, I did so again on Tuesday, aware that she was in the andience - not in the box, but still a commanding presence, (In the programme, dancer December 1945, just one week demobilised after five years naval service, he saw Dame Ninette, who immediately called him back to the company. "Rehearsals start next week!". This is the stuff of

greatness).

The performance was led by Darcey Bussell. Her Aurora was worthy of the artists who were watching her from the side-llues. It is a portrait superb in shape, brilliant and sweet in effects, very much of the 1990s in its generous youthful scale, I find it a little unsophisticated as yet, but Bussell's dancing is sunlit, brave, and entirely worthy of the occasion.

About the staging, I would cite a comment overheard by Sir Philip Sassoon in the 1930s, when a guide was taking visitors over his house. "All in the old world style, and every hit of it sham".

Clement Crisp Sponsored by Bankers Trust.



■ AMSTERDAM

CONCERT Concertgebouw Tel: 31-20-5730573 Schoenberg Ensemble: with conductor Reinbert de Leeuw perform works by Satie, Milhaud Hindemith and Antheil; 4pm; Feb 25

BERLIN

CONCERT . . Konzerthaus Tel: 49-30-203092100/01 Heinz Schunk and Amalie Malling: the violinist and pianist perform works by Schubert, Beethoven and Franck; 7.30pm; Feb

Philharmonie & Kammermusiksaal Tel: 49-30-254880 Sinfonia Orchester Berlin: with conductor Jon Bara Johansen and Planist Susumu Aoyagi perform works by Weber, Brahms and R.

Schumann; 8pm; Feb 24 OPERA Deutsche Oper Berlin F1 49-30-3438401 Madama Butterfly: by Puccini.

Conducted by Johan M. Ameil and performed by the Deutsche Oper Berlin. Soloists include Baata Bilandzija, Marcia Bellamy and Lenus Carlson, 7.30pm; Feb 28 Komische Oper Tel: 49-30-202600 The Legend of Tsar Saltan: by Rimsky-Korsakov. Conducted by Jurowski and performed by the Komische Oper Berlin; 6pm; Feb 24 Staatsoper unter den Linden Tel: 49-30-2082861

 Cleopatra e Cesare: by Graun. Conducted by Alessandro DeMarchi and performed by Concerto Köin and the Tölzer Sängerknaben. Soloists include Rayam, Williams, Dawson, Vermillion, Francis, Popken and Häger, 8.30pm; Feb 25, 28

COLOGNE

CONCERT Kölner Philharmonia Tel: 49-221-2040820 Musik des 20. Jahrhunderts: die 50er Jahra: clarinettist Eduard Brunner and planist Slegfried Mauser perform works from tha 1950s by Lourie, Scelsi, Martinu, Penderecki and Feldman; 11am; Feb

OPERA Openhaus Tel: 49-221-2218240 Eugene Onegin: by Tchaikovsky.
 Conducted by David Levi and performed by the Oper Köln, Soloists include Andrea Andonian, Susan Anthony, Delia Schaechter, Luisa Bosabalian and Andrzej Dobber, 7.30pm; Feb 24

HAMBURG

Hamburgische Staatsoper

Tel: 49-40-351721 Hamburg Ballett: perform a choreography by John Neumeier to Mahler'a Symphony No.9; 8pm; Feb 24, 26, 28

American to be Leo, but Debora

LONDON

CONCERT Wigmore Half Tel: 44-171-9352141 Andrew Wilde: the planist performs Beethoven's Sonata In C. Op.2, No.3 and Sonata in A flat, Op.110; 7.30pm; Feb 23 EXHIBITION National Portrait Gallery

Tel: 44-171-3060055 The Room in View: this exhibition explores the importance of the background and its contribution to tha image of the sitter. The paintings, drawings and photographs on show span three centuries and are organised in four sections: artists at work, scientists

at work, other people at work, and

people at rest, from Feb 23 to Jun 2

OPERA London Colis Tel: 44-171-8360111 Tristan und Isolde: by Wagner. Conducted by Mark Elder and performed by the English National Opera. Soloists Include George Gray, Elizabeth Connell, Susan Parry and Gwynne Howell; 5pm; Feb 24,

LYON

Opéra de Lyon Tel: 33-72 00 45 45 Die Zauberfiöte: by Mozart. Conducted by Kent Nagano and performed by the Opéra de Lyon. Soloists include Christiane Oelza, Veronica Cangerni, Natalie Dessav

and Thomas Mohr: 7,30pm: Feb 23

■ NEW YORK

CONCERT Avery Fisher Hall

Tel: 1-212-875-5030 Andre Watts: the planist performs works by J.S. Bach, Schubert, Chopin, Poulenc and Liszt; 7.30pm;

Feb 25 The Metropolitan Museum of Art Tel: 1-212-879-5500 Juilliard String Quartet: perform Beethoven's String Quartet in F major, Op.18 No.1, String Quartet in A minor, Op.132, and String Quartet In C major, Op.59 No.3; 8pm; Feb

EXHIBITION Brooklyn Museum Tel: 1-718-638-5000

 Alone in a Crowd: Prints by African-American Artists of the 1930s-40s from the Collection of Reba and Dave Williams: this travelling exhibition explores the contribution of African-American artists to the art of printmaking and offers a view of African-American life during the 1930s and 1940s; from Feb 23 to Apr 21 **OPERA**

Metropolitan Opera House Tel: 1-212-362-6000 Aida: by Verdi. Conducted by Christian Badea and performed by the Metropolitan Opera, Soloists Include Nina Rautio, Stefania Toczyska, Michael Sylvester and Juan Pons; 8pm; Feb 24

OSLO

OPERA Norske Opera Tel: 47-22-429475 Mysteries: by Kvandal.

Conducted by Kjell Ingebretsen and performed by the Norwegian National Opera; 6pm; Feb 24

PARIS

CONCERT Salle Pleyel Tel: 33-1 45 61 53 00

Carmina Burana: by Orff. Performed by the Orchestre et Chorale Paul Kuentz with conductor Paul Kuentz, Soloists include soprano Elizabeth Vidal and baritone André Cognet, 8.30pm; Feb 24, 25 (5,30pm) Théâtre du Châtelet Tel: 33-1 42 33 00 00

 David Lively: the pianist performs works by J.S. Bach and Chopin; 0.45pm; Feb 23 **EXHIBITION** Musée des Arts Décoratifs Tel: 33-1 44 55 57 50 Un diament dans la ville: exhibition featuring jewellery designed by Jean Schlumberger (1907-1987); to Feb 25

OPERA Théâtre des Champs-Elysées Tel: 33-1 49 52 50 50 Prince Igor: by Borodin.
 Conducted by Alexander Titov and performed by the orchestra, choir and ballet of the Kirov Opera. Soloists Include Sergei Alexachkine, Irina Bogatcheva, Olga Borodina and Gennadi Bezzoubnkov; 7.30pm; Feb.

■ STOCKHOLM

OPERA Kungliga Teatem - Royal Swedish Opera House Tel: 46-8-7914300 Tosca: by Puccini. Conducted by Leif Segerstam and performed by the Royal Opera Stockholm, Soloists include Siv Wennberg, Kurt Westl and Curt Appelgren; 8pm; Feb 24

■ STUTTGART

Staatstheater Stuttgart Tel: 49-711-20320 Die Dreigroschenoper: by Weili Conducted by Löffler. Soloists include Buss, Findeis, Hentschel, Jett and Meguid; 7.30pm; Feb 23.

SYDNEY

Playhouse Tel: 61-2-250-7127

The Australian Opera: with conductor Vladimir Kamirski perform Mascagni'a Cavalleria Rusticana and Leoncavallo's Pagliacci; 7.30pm; Feb 24, 26

■ VALENCIA

Palau de la Música i Congressos Tel: 34-6-3375020 Orquesta de Valencia: with conductor Alvaro Cassuto and pianist Maria Monreal perform works by Santos and Prokofiev: 8.15om. Feb 23

ZURICH

CONCERT

DANCE Opernhaus Zürich Tel: 41-1-268 6666 Das Zürcher Ballett: perform Beriozoff's Der Feuervogel to music by Stravinsky, Van Manen's Polish Pieces to music by Gorecki, and Bienert's Bolero to music by Ravel; 7.30pm; Feb 23

WORLD SERVICE BBC for Europe can be received in western Europe on Medium Wave 648 kHZ

EUROPEAN CABLE AND SATELLITE **BUSINESS TV** (Central European Tima)

MONDAY TO FRIDAY NBC/Super Channel:

FT Business Moming

10.00 European Money Wheel Nonstop live coverage until 14.00 of European business and the financial

17.30 Financial Times Business Tonight

Midnight Financial Times Business Toniaht



The death of geography

The combination of telecommunications, computing power and discriminating consumers is producing a profound change in the company-customer relationship

The winter sun glints on the dome of the world's only nondenominational cathedral. Across the way, Japanese cars glide past unidentifiable glass buildings. Inside the bland but pleasant offices, endlessly ringing telephones are answered in a babel of languages. It is a shrine to that misty business concept, the

Death of Geography. Few places embody the concept more clearly than the offices of the Merchants Group, a management consultancy based in Milton Keynes. just north of London. Merchants specialises in "customer management", which usually means setting up computer-assisted call centres. where specially trained telephooe staff handle customers' queries, requests or orders.

There are hundreds of big call centres in Britain alone. And as large companies increasingly integrate their European operations, there is a steady growth in the number of pan-European multilingual call centres. Usually companies set up their own internal operations; sometimes they outsource the task to suppliers such as Merchants.

The next time the phone rings in Milton Keynes, it is a Danish customer of an American computer-printer maker, dialling a local number in Denmark. He is answered by a native Danish speaker, who calis up a Danisb-language database of possible responses and likely diagnoses. If the answer is not in the local computer, the operator can turn to the parent company's database in Oregon. And if the problem requires more expertise, it can be passed to a specialist technician.

This is the glamorous end of the business. There is also a more routine aspect: and a more revolutionary one. At the routine end is the process of treating the telephone as the primary means of contact with a customer, a task being tackled with varying degrees of enthusiasm by a wide range

Britain's privatised utilities. Doing this means setting up proper systems to handle telephone calls. It means disentangling the task of handling customer queries from a dozen different responsibilities with which it has traditionally been intertwined.

It means gathering enough

data on customers - who they are and what they want - to give the operators a chance to respond competently. It means acquiring high-tech equipment: automated call directors to send the call to the right operator, and computera which pull up enstomer details on the screen as soon as a caller's phone number is recognised. And it means writing computerized scripts, selecting staff mature enough to cope with difficult customers, motivating them, and assuring the quality and consistency of the service they

At the revolutionary end, the call centre offers the potential of creating entirely new business models, cutting out large elements of the cost of traditional product delivery systems, Direct Line insurance and First Direct banking in the UK. Comdirect and Bank 24's direct banking in Germany, AMP's new PriorityOne home-loan husiness in Australia, and a host of other new businesses round the world illustrate the potential.

Financial services are a particularly attractive sector for this approach, but the growth of third-party logistics services - to handle warehousing and shipping - makes it feasible in more traditional manufacturing businesses as well.

Most husinesses setting out to overhaul their customer management will fall some where in between the routine and the revolutionary. Although the tasks involved in setting up a call centre should not be underestimated. they are in some ways just the tip of the iceberg.

Once customers are encouraged to deal with their suppli-

of husinesses, especially ers by phone, their expectations undergo a marked shift. Telephone contact implies immediacy and responsiveness. A traditional one-week or two-week cycle in dealing with orders, complaints or requests is no longer good enough.

Once you can get a pizza in a guaranteed 30 minutes, a phone and a credit card become useful," says Mr Paul Scott, head of Merchants' consulting services. "But there is no point in offering people a next-day pizza delivery

Traditionally, companies have seen a telephone contact as an inferior experience to a face-to-face contact with a local rep. But if the telephone contact is friendly and wellinformed, and achieves speedier, more effective results than a visit from a rep, it may actually be something that the customers prefer. To achieve this, however, requires more than simply recruiting some friendly telephone operators: it may also mean a complete overhaul of all the company's business processes, to deliver the service that a telephone contact implicitly promises.

There is another way in which shifting to a call centre

damental business. It requires companies to face np to the extent to which they have, and can expect to have, a relationship with their customers. Companies often over-estimate both the intensity and the warmth of their customer relationships. Yet they have no hesitation in planning elaborate expansion centred on exploiting an existing customer base - without establishing whether their customer relationships can really bear the weight of the extra products and services they ope to sell.

Utilities which hope to move from providing, say, water to selling also gas and electricity rely on the strength of the customer relationship to give them an edge in newly competitive markets. To do this. they need to be sure that customers regard the relationship as a benefit, not a burden to he escaped as soon as deregnlation permits. And that, in turn, requires overhauling the whole of service delivery - not merely the tone of voice on the telephone.

What are the wider implications of this quiet trend? The most seductive is the concept of the Death of Geography: customers' physical location becomes irrelevant to their



ability to receive seamless ser vice from their chosen suppliers. Paradoxically, that means a much greater degree of attention to what the customers' location or nationality is likely to mean about their expectations, legal entitlements, tastes and requirements. In a geography-bound distribution system, such national issues are largely implicit, imbibed by the country staff with their mothers' milk. Once service is to he supplied at a distance, these issues must be explicitly identified and addressed in the central database.

It also requires companies to achieve global integration of their processes and databases. Mobile consumers increasingly expect this, but it is seldom attained in practice.
Successful international

companies have managed to huild global brands for prodncts and to some extent for services. They have rarely managed to impose the same degree of standardised quality on the customer experience but may increasingly have to There is one other implica-

tion: many service jobs are likely to become exportable, just as those in manufacturing industry have been in recent decades. Already, countries like Ireland and cities such as Amsterdam have started aggressively bidding for husiess as pan-European call centre locations. You do not have to be a full-fledged believer in the Death of Geography to see the opportunities - and

threats.

At a more mundane level. the lesson of Milton Keynes. and the hundreds of other call centres, is that the combination of telecommunications. computing power and ever more discriminating consum ers - trends which are individually unremarkable - are producing a profound change in the relationship hetween companies and their customers. Call centres are merely one, particularly vivid, symptom of this wider change.

BOOK REVIEW · John Gapper

ROGUE TRADER by Nick Leeson with Edward Whitley Little, Brown and Company. £16.99

Where the facts are traded fast and loose

are just plain unlucky. Nick Leeson seems to be one of them. A friend does something obscene to a girl in a bar, and Leeson gets hit over the head with a chair. Another suggests they drop their trousers in another bar, and he ends up in a police cell. Then he is stuck on a trading floor by management ves-men to supervise a bunch of idiotic

know, there is a bill for £830m. It is always somebody else's fault. So why does it have to be Nick Leeson who is left with the damage? Probably because he is working for a merchant bank run by a toff called Peter Baring who repeats the same phrase over and over again. like his needle is stuck: something about it being easy to make money in securities markets. Huh! Nick Leeson could tell him a thing or two.

traders. The next thing you

This is Nick Leeson's account of how he pulled off one of the most spectacular financial frauds of modern times by whipping up a brew of truths, half-truths, evasions and deceptions. It fooled those around him, for which they are soundly castigated in the book. However, this account reads like a similarly unreliable brew, which the reader would be advised to take with a pinch of salt.

This is a shame, for there are parts of this book that are compellingly written, and touching. These may be the work of Edward Whitley, the ghost writer, it is hard to believe that the Leeson of page 79 who talks eloonently of a hermeti-cally-sealed world "where I hreathed no fresh air and handled no real money" is the same one who paints such onedimensional portraits elsewhere of those around him-

It could be that Leeson is simply 2 lot more interested in himself than anyone else. The only two people for whom he has a consistently good word are his wife and Danny Argyro-

poulous, a trader who worked with him on the floor of the Simex futures exchange. Apart from them, everyone is either too stupid to notice what is going on, or spends their time letting Leeson down.

A notable example is Tony Railton, the settlements clerk sent out from London in the last days of the deception. Although Leeson does not mention it, Railton had previously worked with him at Morgan Stanley, and came to Barings partly because Leeson encouraged him. The thanks he gets for this is to be portrayed as an over-eager, overweight buffoon.

Of course, Leeson is right in his underlying argument that he should have been stopped. Although the tale has often been told, it still takes the breath away to read how he was sent up to \$10m a day from London simply hecause he asked for it. In that sense, Barings executives deserve to be portrayed as making the Keystone Cops look like a crack squad of Marines.

The actions of some of them verge towards something worse than incompetence, if this account is to be believed. Leeson does not assert that anybody was in league with him. But his description of how senior executives meekly accepted his bizarre cover story for the £50m hole in the balance sheet he managed to create hy the end of 1994 is simultaneously entertaining and appalling.

But everyone has to account for their own actions and Leeson's attempt to do so is woefully inadequate. The book does not answer convincingly either of the two questions to which he has the most authoritative answers: exactly what he was up to, and why. It provides partial answers, but the reader is left with the vague feeling that there is a lot Leeson is not telling.

As to what be was doing, his sequence of events is: he is told by London to open a hidden error account; other traders

make mistakes around him: be does some minor book-keeping frauds to conceal them; the idiots make more mistakes; he sells some options to get money to cover the hole; London sends him money as well; he finally bets the bank to hold

up a sagging market.
There is something missing here. Amid all this chaos. Leeson is emerging as a star trader, and is given a £450,000 bonus at the end of 1991. But how is be doing it? Presumably the secret of his success lies in his error account 88888, but Leeson does not enlighten us beyond a single description of using 88888 to hide losses caused by offering one customer an impossibly good price

on some options. As to why, the book is even more hazy. Leeson flirts with some self-analysis about having to support his family after his mother dies. He also talks of not being able to stand failure, and complains: "Why did l always have to be the one to appear strong?" But he cannot explain why he failed to stop himself before nemesis. "It had become an addiction," is the

best he offers. At times, the book plays far and loose with the facts. In A. of his many references to Peter. Baring's offhand comment about the ease of money-making in securities. Leeson talks of dreaming about the remark last February, although the phrase only emerged later in the Bank of England report. Perhaps that is artistic licence. but it rather undermines his lofty claim that "this story is a

In the end, Leeson the author comes across like Leeson the trader. Fast, slapdash. with a certain charm, but full of empty claims and braggadocio. To read this book is to be thrust on to a literary trading floor on which facts are traded like futures and options. Leeson has many to trade, and does so with vigour and aggression, but the reader is still left wondering which oth-

true one".

·LETTERS TO THE EDITOR·

Number One Southwark Bridge, London SEL SHI

We are keen to encourage letters from readers around the world. Letters may be faxed to 146 171-873 5938 (please set fax to 'fine'). e.mail: letters.editor@ft.com Translation may be available for letters written in the main international languages.

Increased aid to eastern Europe must not mean that poorest nations are sold short

From Mrs Glenys Kinnock

Sir, With reference to your report "Minister speaks out against cut in overseas aid" (February 15), let us not forget that Baroness Chalker. minister for overseas development, has overseen the emasculation of Britain's overseas aid budget - the biggest cut for 50 years. Since 1979 it has been halved and is well below the average in the European Union and looks on course for further cuts.

During the discussions concerning the European Development Fund for African and Pacific areas. Baroness Chalker argued that the government wished to concentrate on hilateral assistance. Now we see that this too is to be slashed.

Over the next five years, total EU foreign assistance is set to be more than Ecu27bn nearly twice the amount originally proposed but rejected for the EDF. The money is there - it's a question of where it is being

The facts belie claims made by Baroness Chalker and others that they are resisting too much of EU aid going

through Brussels. Total EU aid has doubled over the last decade, but the EDF share of the total has shrunk sharply. Some of the growth in the

total is accounted for by the funds going to Asia and Latin America. But most of it is due to the rapid expansion of programmes for eastern Europe, the former Soviet Union and the southern Mediterranean, and it is set to rise threefold by the end of the decade over 1990 levels.

The importance of support for eastern and central Europe as they make a difficult economic transition cannot be

at the expense of the poorest countries most reliant on aid support - most notably in

Aid should not be seen as a soft target by governments like our own which, it seems, are prepared to sell the poorest nations short in the interest of a 20p standard rate of income

Gienys Kinnock, vice-president of the ACP/EU European Parliament. 97 rue Belliard, Brussels B-1047, Belgium

Government should distance itself from arms companies

From Mr David Sawers. Sir, Samuel Brittan is right to point out that the fallacy of mercantilism lay behind the government's efforts to promote arms-related exports. which led to the Scott report ("Bad excuses for arms sales",

He should have gone further: the underlying problem is the nature of the relationship between government and arms manufacturers. The British government has traditionally seen its role as helping and protecting the defence industry, to ensure that there was a local source of the arms

it might want to buy. This attitude was weakened in the 1980s when Mr Michael Heseltine was in charge of the Ministry of Defence and competitive tendering for defence contracts was promoted; hut it has recently revived. The Ministry of Defence now has to pay more attention to the effect of its orders on the health of the industry - as was urged in the Technology Foresight report on the industry, which was revealingly titled Progress Through Parmership.
Officials and ministers in the

Department of Trade and Industry are all too liable to regard themselves as partners of the defence contractors; and as their partners and friends. they may well be tempted to help them find ways around any obstacles to profitable export sales that the Foreign Office may erect. A reversal of policies

towards defence procurement is the only true protection against repetition of the evenis that led to the Scott enquiry: a change that puts more distance between the British government and its suppliers of arms, that emphasised

international competition for contracts to supply arms, and that eliminated the government's present assistance for exports of arms.

Such a change in policy is more likely to increase than to reduce national income. By increasing competition with a a protected sector of the economy, it would promo efficient use of resources.

David Sawers, "Crosby" 10 Seaview Avenue. Angmering-on-Sea, Littlehampton, West Sussex BN16 1PP, UK

Concern is over partial preferential trade agreements

From Mr Stuart E. Eizenstat. Sir, I am very concerned by the coverage of the trade portion of my farewell speech to the EU committee of the American Chamber of Commerce ("EU under fire for trade pact proliferation". February 16).

In my remarks I expressed my concern with future partial, preferential trade agreements - that is, two-way agreements that exclude significant sectors such as agriculture. It is these partial agreements which could have a corrosive effect on the multilateral trade system

My comments should not be construed as opposing customs unions or regional free trade agreements themselves,

protectionist forces in Europe or elsewhere in the world. indeed, the US is proud of the North American Free Trade Agreement, which, over time, eliminates tariffs and quotas in all sectors, including the most sensitive products. We are considering expansion of Nafta and other regional trade liberalising initiatives.

Ministry of Defence and

therehy giving comfort to

regional trade agreements can and do contribute to multilateral trade liberalisation. In my speech, I specifically noted that in a 1995 communication to the Council of Ministers, the European Commission itself emphasised the new rigour the Uruguay Round brought to the

In my view, comprehensive

agreements: namely that they not exclude any important sector, generally phase out all tariffs and quotas in 10 years. and clarified that review of such agreements would be subject to World Trade Organisation dispute settlement. There is now little doubt that to be WTO-consistent, future

examination of regional trade

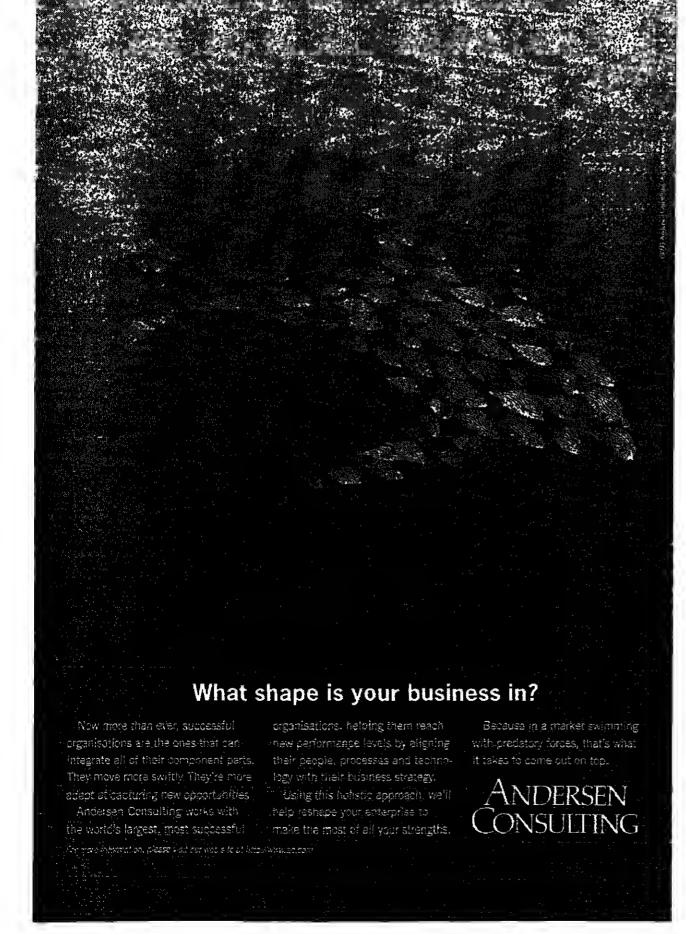
regional agreements by the EU or by the US must cover substantially all trade and exclude no major sectors. If that standard cannot be

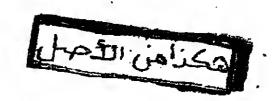
met, WTO members can consider providing improved trade access on a one-way basis. WTO and General Agreement on Tariffs and Trade waivers have been

obtained; for example, for inward trade preference regimes of the EU and the US such as the Lome Agreement and the Caribbean Basin Initiative.

My clear message was simply to emphasise the importance of the EU adhering to WTO requirements, as the US would be expected to do. on the scope of future regional free trade agreements, not to question their potentially important value as a stimulant to multilateral trade liberalisation, which benefits the whole world.

Stuart E. Eizenstat. US Ambassador to the European Union, Brussels, Belgium





ERKCARASTI

A STATE OF STATE OF CHANGE

Could see

retoeta

etoed;

Control of the spens 2 Silver Black nk cars free the time and ears back and the properties The dear cars sold and the state of 12 The said said

1-75150

210 the . - - - - - - - - - - - Ele amount the current of the cu Partie Ross Czech senate the de e sear of the The street of the street

e es ior a Normber 2 or time short rently house the control of the cont arier the card

rise in output rise in output and a continue and a The state of the s

Acutely aware

acted, which is more than can be said for the rest of Europe. And while the French measures will not make international rationalisation easier by themselves, they may act as a catalyst. It seems that everyone is talking to everyone else in the European defence industry at present, with the result that the number of perman-ins for alliances is spiralling.

Number One Southwark Bridge, London SE1 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700 Thursday February 22 1996

America unsettled

interpretation of his victory in Tuesday'a New Hampshire pri-mary will not be widely shared outside his own camp. To an outsider, Mr Buchanan appears to be playing with great skill on the fears of all those Americans who see the traditional American dream slipping away from them. Exit polls suggest that in New Hampshire he scored highest mong people who earn less than \$30,000 a year. Certainly his rheto-ric seeks to identify him with groups who see themselves as victims, rather than beneficiaries, of economic and social change.

Mr Buchanan is generally depicted as the candidate of the far right. But he is not rightwing in a traditional American sense. His main message is not that government should be cut down to size, that taxes should be cut, that people should be left free to sink or swim in a free market. For him, big business is not an inspiring model but an enemy, which cal-lously throws American workers but of their jobs in order to maximise profits by shifting production to low-wage plants abroad. And the victims, in his view, are entitled to look to the state for protection, notably in the form of tariffs. That view has historically belonged more on the left than on the right of American politics, In recent times, it was articulated mainly by labour unions.

Republican disarray

The populist thrust of Mr Buchanan's campaign thus differs sig-nificantly from the libertarianism of the "Republican revolution" which brought the party a major-ity in both houses of Congress in 1994. His success reveals an astonishing degree of disarray in a party which seemed only a year ago to be carrying all before it. No doubt it delights the Clinton camp, much as the rise of Jean-Marie Le Pen in the 1980s comforted the late President François Mitterrand by dividing his opponents. Conventional wisdom has it that Mr Buchanan is "unelectable". 'I neretore the strong hecomes within the Republican party, the safer a Democratic president's re-election must look. For that very reason, non-Buch-

"People voted their hopes oot their fears." Pat Buchanan's own assume, up to now that Mr Buch anan cannot actually win their party's nomination. The assump tion has been, and by and large still is, that his support repre-sented a protest vote rather than a serious bid for power, and that in the end the bulk of Republican voters would swing behind a candidate with a real chance of beating Bill Clinton.

Dole weakening

The trouble is, it is less and less obvious who that candidate could be. Until last week, it was taken almost for granted that it would be Senator Bob Dole. But the argument for rallying round him weak-eoed as opinion polls showed him falling behind the president, especially after his wooden and awkward response to the state of the

union address last month.

That in turn explains the late rise of Governor Lamar Alexander, a younger and more engaging mainstream Republican whom the Clinton strategists are alleged to fear because he could plausibly challenge the president for the centre ground. But a creditable third place in lowa and New Hampshire is not quite the same thing as a credible base for a unifying candidature.

Mr Bnchanan scores well in opinion polls as someone who stands up for what be believes". lt was partly on that basis that many Republicans backed Goldwater in 1964, and many Democrats backed McGovern in 1972. In both cases, since victory against an incumbent president seemed out of reach, the party decided to abandon the demeaning compromises of centrism and to go down fighting behind a champion who at least clearly stood for something different.

Is 1996 really that sort of year? Six months ago Mr Clinton looked eminently beatable. It is not that hard to imagine that in another six months he might do so again. Meanwhile, Mr Dole and other mainstream Republicans must learn to stand up for what they believe Mr Buchanan may accurately echo the fears of many mi dle and working class Americans His isolationist politics and protectionist economics do not offer any

A gun has been fired

It is a measure of the depth of the crisis in the European defence industry that even Mr Serge Dassault, who has so long fiercely guarded his company's independence, has bowed to pressure to merge Dassault Aviation with Aerospatiale. The announcement that Mr. Alain Gomez is to leave Thomson, the defence electronics giant, as the company is prepared for privatisation is almost as surprising: he has been the company's driving force. But the developments make clear two things. First that Mr Chirac's administration feels under intense pressure to do something to rationalise the European defence business. And second, that it is not prepared to allow the industry's dominant personalities to get in tha way of

While France has responded, it is not yet clear whether it has made the right move. There is a hint in these changes that France is marshalling its companies to give them greater weight in dis-cultions about cross-border mergers, which hardly solves the main problem. Banging together smaller loss-making companies into larger loss making businesses is not a sufficient response to the emerg-ing US defence leviathans. Scale is only the first requirement; substantial cost cutting is the harder and more significant choice which

France has yet to make.
Only when the rationalisation begins and union opposition is faced down will potential international partners he clear that France has taken the problem seriously. Only then will it be possible for German and British companies to form fully integrated and competitive defence companies with their French counterparts.

Still, France has at least now

And the second s

Executives in each of the companies involved are acutely aware that the alliances which are struck first may then dictate the shape of subsequent moves. Setting an agenda and a timetable will confer huge advantages on those ready and able to move, as Lockheed Martin has proved in

Trigger fingers

Yet while companies have itchy trigger fingers, government pro curement policies across Europe have not yet shifted sufficiently to give the industry a clear target at which to aim. France still seems to regard the idea of competitive procurement as a quaint Anglo-Saxon obsession; Germany says that it wants more defend work allocated competitively, but has yet to make all the tough decisions necessary to back that up Britain still ponders the philo-sophical niceties of a perfectly competitive defence market in a manifestly political arena. None of these countries has yet made the hard compromises on equipment programmes or on policy which would make a single European defence equipment market a real

There are concrete opportunities to change that in several current arms programmes. On the proposed Multi-Role Combat Vehicle Britain ahould swallow its pride and accept the detailed Franco German specification, while France should bow to the idea of a competition for who should make the "battlefield taxi". On the Future Large Aircraft military transporter, all three countries could press ahead with a commer cial product built by Airbus, but backed by firm government orders at fixed prices. The programme for a common new missile to arm the Eurofighter and the French Rafale should be run as a European collaborative development with com-

panies competing for work. Each of these programmes would provide a solid block of work for the new Franco-German arms agency, which it makes much sense for Britain to join. All that is lacking at the moment in European defence ministries is the political will to make both collaboration and competition work.

COMMENT & ANALYSIS

Leaky lifeboat of subsidies

Help from governments for ailing shipbuilders has failed to create a competitive industry in Europe, says Stefan Wagstyl

he collapse yesterday of Bremer Vulkan, Germany's largest ahip-builder, comes ot a criti-World shipbuilding: Europe's shrinking cal time for the European shipbuilding todustry. Ever since Japan in the 1960s and South Korea in the 1970s first challenged the dominance of Europe's shipbuilders, European companies have struggled to remain competitive and have turned to governments for financial support. After a decade of recession, demand for new ships is now recovering as the vessels built in the 1970s are scrapped and replaced. But this is is unlikely to bring European wards much relief. South pean yards much relief. South Korea is increasing its capacity by at least 50 per cent and China is preparing to enter the international European governments, more-1994 total: 13,694,000 over, are less willing to subsidise the construction of ships. Shipbuilding nations, including Japan, Korea and the US, as well as European Union members, are planning this year to implement a global pact on ending subsidies. Bremer is not the only European yard to be feeling the pressure. Last year. Burmcister & Wain, Den-mark's oldest yard, went into receivership after 152 years. Greece China is struggling to find a buyer for the state-owned lossmaking Hellenic Shipyards, the largest in the eastern Mediterranean. Madrid is facing difficulties restructuring Astilleros 1982 total: 16,820,000 Espanoles, the state-owned yards which have run up accumulated UK 452 losses of about \$3bn (£1.94bn). Despite the taxpayers' money poured into the industry, western Europe's share of the world's ship-

> value vessels such as gas and chemicals carriers, ferries, and, above all, cruise ships. Although these account for only about 10 per cent of the market by weight, they make up about one third by value. There is also scope for raising

productivity and profits in the manufacture of even run-of-the-mill tankers and container ships.

Despite the strength of the yen and the competition from nearby South Korea, Japanese companies have retained more than 40 per cent of the global market by attention to management efficiency. "The Japanese are brilliant at running their yards. It's not a matter of technology. It's the way they organise the industry would have been dev-themselves," says Mr Nick Granger, astated. "It's ludicrous to suggest

Denmark

S.Korea

director of the UK Shipbuilders and Shiprepairers Association. However, the pursuit of productivity in Europe has been complicated by the subsidy regime. The European Commission, which runs a EU-wide agreement, is convinced that without government support, the industry would have been dev-

we should do without subsidies when the rest of the world bas

them," says a senior official. Such views broadly reflect those of the industry in Europe, but there are those who question the value of continued subsidies. Mr Tborkil Christensen, managing director of the Shipbuilders' Association of Denmark, says that even though subsidies have been necessary they bave also undermined Europe's ability to compete. "They are a feather pillow on which we can fall

Over the past 10 years the European Commission bas tried to reduce subsidies, hoping to coocentrate output in the most efficient yards. But it has often bowed to political pressure to grant excep-tions from subsidy limits, notably in Spain, Portugal and Belgium, and

more recently in east Germany. The official maximum subsidy has dropped from 20 per cent of a ship's contract value to 9 per cent, and is supposed to be phased out altogether this year under an agreement among the OECD countries.

ctual subsidies, however, exceed official limits. A UK Department of Trade and Industry study last year calculated the maximum available benefits for sbip financing reached nearly 30 per cent of the contract price in Spain, 29 per cent in Den-mark, 16 per cent in the UK and 14 per cent in Germany.

Even these figures covering ship finance subsidies exclude general aid for restructuring industry such as the funds controversially given to Bremer for modernising its east German yards and the money used in Spain to bail out state-owned yards. Even the Commission does not know the true extent of subsidies since member countries have not filed reports on the matter since 1991.

The proliferation of aid may have supported shipbuilding through years of acute competitive pressure But it has not created a healthy industry. In comparison with Korea where there are just four big groups, and Japan, which has six, western Europe's shipbuilders are mostly fragmented into national operations. Despite the extensive restructuring which bas already taken place, a reorganisation of Bremer Vulkan may only be one more painful step on a long road.

Shipbuilder that ran aground mann last September asks banks for a DM300m credit help finance the construction

mann, the former chairman of Bremer Vulkan, was in bis usual self-confident mood last Sunand Brussels would call it a day." day. Taking part in a television chat show, he expressed little concern about the European Commission's allegations that Bremer Vulkan had wisused DM600m of subsidies destined for the group's two shipyards in eastern Germany. He also brushed off questions about mismanagement and the fate of the 23,000 workers if Bremer all, the engineering union, and pos-Vulkan were declared bank-upt.

Bnt yesterday Bremer Vulkan's new management, appointed only two months ago, announced it would file for protection from its creditors. The company said many of its divisions were insolvent and the group expected losses of more than DM1hn for last year.

building capacity has fallen from

nearly 40 per cent to under 20 per

cent in the past two decades. As Korean capacity has grown over

this time from negligible levels to

more than 2m tons a year, western

Europe's has dropped from 8.5m

tons to about 3m tons. To staunch

losses, operators have reduced and

closed yards, notably in the UK. Job

cuts have been harsh, employment

in European shipbuilding since 1975

has fallen from 460,000 to under

But further decline is not inevita-

ble. European yards have countered the east Asian challenge by pulling

back from making the large tankers

and dry-goods carriers at which the

Japanese and Koreans excel They

have focused instead on high added-

r Friedrich Henne-

120,000.

"The past has finally caught up with Bremer Vulkan," says a banker involved in the privatisation of east Germany's shipyards and their sale to Bremer Vulkan, based in the north German citystate of Bremen. "It was just a matter of time before the politicians

Options are limited for the managers and politicians seeking a rescue. "The management could try and break it up and sell off some of its divisions. But the only one showing any profit is the electronics subsidiaries," a company offi-cial says. Any break-no of the group would be resisted by IG Metcompany official

sibly by the Bremen government since it would lead to job losses. And the European Commission. whose anger over the fate of its aid money triggered yesterday's announcement, bas so far refused to approve more subsidies. Bremer Vulkan's problems were

not fully appreciated until the removal last antumn of Mr Hennemann as chairman. During the 1980s. Mr Hennemann had been a state secretary for economics in the Social Democratic-controlled Bremen government; and until 1986, when Bremer Vulkan was privatised, the city bad been the largest

later, Mr Hennemann took over as chairman. "The city anthorities never questioned what Hennemann was doing with city-backed loans; they had the same political colours. And Bremer Vulkan was the citystate's higgest employer," says a

Officials of the Treuhand, the former privatisation agency, had com-plained privately that under Mr Hennemann, Bremer Vulkan had failed to meet its investment commitments to east Germany on time, and had failed to restructure the east German yards, especially the Volkswerft yard at Stralsund. Before German reunification.

Stralsund had made fishing vessels for the Russian market, "But Bremer Vnlkan never retrained the staff to world market standards." says a Treuhand adviser. The Trenhand was reluctant to criticise publicly Bremer Vulkan's activities in eastern Germany lest

questions were raised about the

shareholder in the company. A year Treuhand's privatisation methods and the use of subsidies. Meanwhile, politicians in Bremen pre-ferred to turn a blind eye to Mr Hennemann's management style out of political loyalty. "He diversified. He bought units

which could not be integrated," says Mr Heiner Haseler of Bremen University. "These included the east German yards. He did not have experts to deal with the growing competition from the South Koreans whose costs are a fifth lower than Germany's. And there was not enough scrutiny by the city authorities."

That changed last May when the Social Democrats lost their majorlty in Bremen and were forced to play junior pariner in a Bremen government beaded by the conservative Christian Democrats. "This was the turning point," a Bremer Vulkan official said this week.

The CDU inherited a budget deficit of DM18bn as well as high unemployment. When Mr Henne-

banks for a DM300m credit line to help finance the construction of a cruise liner, the banks agreed, provided they were backed by government guarantees. "By then the CDU was becoming impatient. They wanted to know how much Bremen was backing Mr Hennemann and why the company was asking for credits when it had been told that a restructuring programme started in 1993 was on track," the Bremer Vulkan official says.

The new state government's con-cern coincided with pessimistic forecasts from management. These included losses of DM200m for Dörries Scharmann, its machine-tool subsidiary, which precipitated the decision by the supervisory board to remove Mr Hennemann.

By the time Mr Udo Wagner, former finance and controlling director of Asea Brown Boveri, was installed as chairman in December. it was apparently too late to avert the crisis that came to a bead yes

Judy Dempsey

OBSERVER

Not so **National**

A shake up is surely looming at state-owned National Bank of Greece, the country's largest banking group.

National has had a reputation for

accommodating politicians, and fielding requests for special loans to prominent businessmen and shipowners who were close to the ruling socialists.
It is probably no coincidence that
the bank boasts the highest

percentage of doubtful loans of any Greek bank - some 50 per cent of its total portfolio, according to Mirkos was sacked lest week by

the new prime minister, Costas Simitis - provoking noisy protests from socialist MPs - and was replaced by Theodoros Karatzas, a straight-laced financial lawyer whose family firm is highly rated by overseas investors. As finance undersecretary in the

mid 1980s, Karatzas launched a

series of capital market reforms in Since then, the Athens stock market has flourished, mutual funds have taken off and dozens of bright Greeks have quit their jobs

on Wall Street or in the City of London to work in financial services at home. With Karatzas at the helm. National will be able to attract

much-needed talent. A giant rights .

issue is also planned for later this year, after which the state will be only a minority shareholder. Who knows, lending on political criteria might even disappear.

Customary

■ Flexible Renaissance types, these top French political advisers. Pierre-Mathieu Duhamel, deputy director of prime minister Alain Juppé's private office, wanted a change from his role as adviser on economic and financial matters.

So Juppé did his best to place him at CIC, a bank owned by GAN. the state-controlled insurance group. A public outcry ensued at the idea of bringing in an outsider. in turn prompting a change of

Duhamel was yesterday named head of French Customs instead. Hey banking tax, economics. It's all pretty much the same game, n'est-ce pas?

Packing it in

Kerry Packer has been playing truant. The official report for 1995 of the board charged with organising the 2000 Olympic Games in Sydney records that the billionaire media tycoon and polo nut attended only three out of 12 board meetings last year.

He did not even turn up for the official photograph. Which perhaps explains why Packer has handed in his notice as a a member of the Sydney Organising Committee for the Olympic Games (Socag). Better to resign than be expelled.

J'accuse

A modicum of "science" has now been applied to the Eastern seaboard game of guessing the author of roman a clef Primary Colors currently topping the New York Times best-seller list. New York magazine collared

Vassar English professor Donald Foster who has supposedly demonstrated with the aid of computer analysis that an obscure elegy must have been the work of Shakespeare. Foster set to work on the inside story of Bill Clinton's 1992 presidential campaign, and compared author Anonymous's use of language with that of the published writings of a host of the leading suspects.

After forays up very many blind alleys, Foster alights on a candidate whose 'profile of his active vocabulary forms a matrix closely matching that of Anonymous* Similarities range from a predilection for the word "mode" to a love of huge compound words. Quite a telling point is peculiar usages, such as the word "riffle" to mean rifle or to rustle, "a usage for which the Oxford English Dictionary supplies no instance in the past thousand years". Once the computer has done its work. Foster looks at

wider context - anything from a fascination with the nuanced meaning of a hand shake to the fact that Newsweek comes in for some rather flattering mentions in

the course of the novel.
Finally, Foster reckons he gets the joke. Black narrator Henry Burton kicks off the book: "I am small and not so dark". Hence Foster points the finger at white Newsweek columnist Joe Klein (small, geddit?).

Satellite news

There could shortly be a big demand for hard hats around Limerick in southern Ireland. Astronomy Ireland, a body which keeps its eye on happenings up above, says a Chinese satellite could land on the city sometime between now and March.

The errant satellite, the size of a small car, was launched in late 1993 bnt soon threw a wobbly. County Wicklow, just south of Dublin, is another area where people might find unexpected things dropping out of the sky. "The resulting damage from what would essentially be a one-tonne bullet travelling at a speed of 1,000mph would put the Chinese in a very uncomfortable political position" says Astronomy Ireland. But in the satellite tracking business the margin of error is fairly generous. Predictions are accurate "give or take 400,000

Financial Times

100 years ago Tehuantepec Exploration Co

The Chairman said at the first general meeting of the company, held in London: The property we are developing consists of 15,000 acres of the finest land selected on a spur of the Sierra Madre near the important town of Suchil. The property is in proximity to the newly opened Tehuantepec Railway, which connects the Atlantic with the Pacific coast. The future of the line is assured by the fact that the cotton spinners of Japan who desire to find a quick method of reaching the cotton districts of the United States, and the Japanese Government, have consented to subsidise a line of steamers from Yokohama to Saling Cruz, the terminus of the railway, with the object of

Orleans and Galveston. 50 years ago

carrying cotton from New

Far East war damage A difficulty is the distinction between destruction perpetrated by the Japanese in the course of military operations and that done by Imperial [Allied] troops. or the companies themselves (under orders) as part of a "scorched earth". The whole matter bristles with difficulties. but it vitally affects the interests of two basic industries of the British Empire, rubber and tin.

EU federalist agenda set to go before conference

Brussels advances plans to end the national veto

By Emma Tucker in Brussels

Brussels is advancing plans to seek an end to the national veto that each member state can wield on European Union decisions.

The European Commission yesterday debated a paper to be preseoted at the intergovernmental conference next month, which proposes ending the veto for fear that it will make some decisions all but impossible in an enlarged EU of up to 27 countries.

The document, drawn up by Mr Marcelino Oreja, the commissioner in charge of preparations for the IGC, reflects the position of several of the EU's more federalist-minded member states, led by Germany.

But in spite of its ambitions language, it is likely to meet stiff resistance from the UK, which is determined to maintain the national veto.

In an enlarged union maintaining unanimity would bring paralysis. The Commission therefore proposes the systematic discarding of unanimous decision-making," says the draft proposal.

US elections

like beating the 88 per cent racked up by Mr Ronald Reagan

in 1984, the last time an incum-

bent president ran essentially

Continued from Page 1

Continued from Page 1

SKr4bn to SKr5bn, returning an

operating margin of 9.9 per cent.

the year prompted Volvo to cut truck productioo capacity in the

US and Europe, but it expects world demand in 1996 to remain

high. Group sales in 1995 rose

from SKr156bn to SKr171.5bn,

driving operating profits up from

The company announced

details of its planned spin-off to shareholders of Swedish Match,

the tobacco and lighter group

wholly owned by Volvo. It said

one Swedish Match share would

be handed out for each Volvo

share, to be listed in Stockholm

and Nasdag in New York in May.

SKr9.4bn to SKr10.2bn.

sensitive areas - such as fiscal matters and judicial co-operation - unanimity should be replaced by a new form of "snperqualified" majority voting, which would make it easier for the Commission to get proposals that currently require unanimity through the European Council of Ministers. But this would be

votes of member states. The national veto would only apply to the use of military power and reform of those parts of the EU's founding treaty that

harder than under the present

qualified majority voting system.

which requires 71 per cent of the

deal with constitutional issues. The report says that sections of the treaty that deal with policy areas should be subject to revision by a super-qualified majority of member states, a demand that will be particularly strongly resisted by the UK.

It advocates wholesale reform of the EU's approach to justice and bome affairs, currently a matter for consensus between national governments. It would

The document auggests that in like issues such as combating fraud, terrorism, organised crime and drug trafficking to be subject to qualified majority voting, although it concedes that police and judicial co-operation in civil and penal matters are too sensi-

> In another radical departure the Commission promotes the idea of allowing groups of member states to press ahead with policies that are unpalatable to others. While Brussels rejects a la carte European regulations, it says those countries that want to pursue certain objectives should not be held back by others. Thus countries could pursue

tive for such treatment.

arrangements similar to the Schengen agreemeot - under which seven EU countries have agreed to dismantle their internal border controls. Outsiders would retain the right to "opt-in" at

Above all, the Commission wants to prevent the further use of "opt-outs" from treaty provisions - a practice employed by the British to avoid the Maastricht treaty's social protocols.

Italy develops new taste for statistics

By Robert Graham in Rome

unchallenged in New Hampshire. Red vermouth, dried figs, tripe, children's biscuits and men's Expressions of concern over Mr Buchanan's maiden primary victory - he lost all those he conhats have ceased to be an essentested against President George tial part of Italian household Bush in 1992 - came from across

At least this is the judgment of the Republican establishment, No prominent Republican said they Istat, Italy's state statistics instisaw him winning the party's tute. It has just prepared a new, larger basket of items on which nomination, let alone the presideocy, but there were no signifito base the consumer price index. cant new expressions of support and these are some of the goods for Mr Dole or Mr Alexander. removed from the list.

On Saturday, the race moves to It is the first change in the basket since 1992 and one of the Delaware, where only Mr Forbes has campaigned but where Mr biggest reassessments of what Dole, typically, bas the endorse-ment of most prominent local influences the household budget and its impact on inflation. The Republicans. changes reflect both a more sophisticated basis of calculation and the fast-evolving habits of a more technology and health con-Volvo dented scious society.

The weight of health items in the basket that makes up the index has more than doubled to 5.8 per cent. Goods and services notably telecommunications and ervices – also com more, amounting to nearly 10 per cent of the basket.

The basket includes 34 types of telephone service, while the number of medicines and medical products has risen from 18 to 72. In contrast, the relative importance of leisure activities and costs in bars and restaurants has declined, as has that of new cars. Istat has removed 23 items or groups of items from the basket. Children's hiscuits have disappeared because of Italy's increasingly low birth rate and changing

patterns of child nutrition. The

removal of dried figs reflects both

dietary changes and the impact of improved conservation methods for fresh or frozen foods. Hats are no longer so fashionable for men, while red vermouth finds few takers.

Chewing gum is one of the 22

new additions, mirroring increased demand from nervous ex-smokers. Electric wiring has been included because of the do-it-yourself boom. The institute has also recognised the trend towards educational courses, especially language tuition. The overall weight of educational items in the index has grown from 0.4 per cent to 1.9 per cent. But Istat has further sought to reflect differences between regions. Thus, the food basket, the biggest everywhere, varies from being as much as 27 per cent of the price index in parts of southern Italy to only 17 per cent

in Emilia Romagna. The index, unveiled yesterday with data based on January, showed inflation beginning to 5.5 per cent. This was the lowest rate since May last year, but remains well above the European Union norm.

Further evidence will be necessary to confirm the positive trend. The Bank of Italy has indicated it will only feel comfortable about the downward trend by looking at the average inflation rate for the first quarter. The January figures have been belped by the government's decision to freeze some tariff increases ranging from telephones and autostrada tolls to train fares and electricity charges,

links with to protect fish stocks

Unilever, one of the world's biggest buyers of frozen fish, is joining forces with the World Wide Fund for Nature in the first attempt to barness consumer power to tackle the global fisheries crisis.

announced today, aims to create a new standard for fish products from "sustainable" sources. The idea is that this would become the industry norm, forcing industrial fleets to change their indiscriminate fishing practices if they want to keep their markets. An independent Marine Stewardship Council would operate

the standard, which would be carried as a logo on retail products from accredited fishing extremely effective force for conservation," said Mr Michael Sut-ton, director of WWF's endangered seas campaign.

is a coup for the conservation movement. The Anglo-Dutch consumer goods group has about 20 per cent of the European and US frozen fish market, and global sales worth just under £500m. Its leading brands include Birds Eye in the UK, lglo in continental Europe and Gorton's in the US. Unilever has pledged all its fish products will be accredited by

the Marine Stewardship Council by 2005. "Our standards are pretty tough but we want to make them tougher," Ms Caroline Whitfield, Unilever's international fish manager, said. Some 70 per cent of the world's commercially important fisb

stocks are fully fished, over-exploited, depleted or slowly recovering, the United Nations Food and Agriculture Organisation says. There are more than Im industrial fishing vessels with large trawl gear often catching unwanted and undersized fish. The world's annual fishing

catch is about 85m tonnes, but a further 27m tonnes are discarded. Quotas, treaties and national enforcement have falled to halt the decline in stocks, said Mr Sutton, adding: "This initiative is designed to complement regulation. The problem has not been a lack of scientific evidence [about stocks] but a lack of political will. We hope to make it easier for politicians and regulators to do their jobs by swinging the market in favour of sustainability."

Big fishing nations such as Japan, Sonth Korea and Spain and small indigenous fishing groups will be consulted over the next two years to draw up broad principles and standards for individual fisheries.

Unilever and WWF have each pledged at least £100,000 to the consultation exercise. They are seeking further funding for a process expected to take two years and cost about \$350,000 a year.

Unilever green group

The partnership, to be

The partnership with Unilever

as it currently is. Meanwhile, a combined Aérospa-

> The industrial logic of a merger is also weak, there is precious bittle overlap between Dassault's military airmilitary and civilian aircraft.

THE LEX COLUMN

Defensive manoeuvres

France yesterday fired a starting gun which could lead to a wholesale restructuring of western Europe's defence industry. The process may be torthous. But by promising to privatise Thomson and merge state-owned Aerospatiale with private-sector Dassault, the French government has taken the first steps.

The next stage is likely to involve cross-border rationalisation. Such a radical move has hitherto been prevented by concerns over national sovereignty. But western Europe's thinking about its defence industry is undergoing a sea-change. The mega-mergers in the US - notably this year'a Lockheed Martin Loral deal have forced it to face the fact that its fragmented industry is becoming dangerously uncompetitive. These pressures are compounded by shrinking defence budgets. France has so far avoided big cuts. But, as it prepares for a massive retrenchment later this year, many of its companies are staring into the financial abyss.

That said, France's rethink is not complete. It is, at present, unwilling to break up Thomson or Aérospatiale. In Thomson's case, such a stance is particularly illogical. The group's whollyowned consumer electronics business has virtually nothing in common with Thomson-CSF, its majority-owned defence electronics business. It would be better for Thomson to sell its Thomson-CSF stake and use the cash to repair its tattered balance sheet. Privatising Thomson as a single entity will make it harder to attract industrial partners - though not as difficult

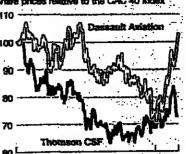
tiale/Dassault will hardly be a financial or industrial powerhouse. There is a risk that Dassault's small cash pile will be swallowed up in Aërospatiale's black hole; it will certainly not be enough on its own to recapitalise the state-owned aerospace group. Nor can Aérospatiale avoid further cost-cutting if it wants to turn a profit.

craft business and Aérospatiale's civilian operations. That said, a merged Aérospatiale/Dassauit would probably be in a better position to negotiate a broader merger with British Aerospace or Germany's Daimler-Benz Aerospace (Dasa) - which make both Western Europe's defence industry ideally should - and ultimately might

be restructured into three large

FT-SE Eurotrack 200: 1530.1 (±6.6)

Share prices relative to the CAC 40 index



transnational groups. First, a civilian which Aërospatiale, BAe and Dasa are the leading sbareholders. Second, a military fighter business, based on the Eurofighter, led by BAe, Dasa and Italy's Alenia but also including Dassault. Third, a defence electronics group combining Thomson-CSF, the UK's GEC-Marcooi and France's Matra. With a clear chain of command and fairly bomogeoeous businesses. such groups could achieve the economies of scale to compete with the likes of Lockheed Martin and Boeing. Such a utopia is clearly some way

off. And the first steps, like France's yesterday, may be far from perfect. But it would be unrealistic to expect the industry to transform itself in a single jump.

Bremer Vulkan

Bremer Vulkan is heading rapidly for the rocks. The fact that Germany's biggest shipbuilder has filed for protection from its creditors is a blow for a country which prides itself on its engineering excellence. The Klöckner steel group and Metaligesellschaft both survived a similar brush with bankruptcy. But in this case, the different priorities of management, creditors and politicians will make it tricky to hammer out a rescue package. And the numbers are staggering. Only weeks ago, Bremer forecast a 1995 loss of DM200m (\$137.6m). Now it puts the figure at DM1bn and says it needs a cash injection of DM2.5bn. While the order book looks bealthy, many of those contracts have been taken on at loss-making prices.

That leaves the banks with a stark

choice. Under any settiment, they will be asked to forgive a tag proportion of their loans, probable 40 percent or more. With most of these loans guaranteed by the government or secured on individual shops, letting proportion or hart may be more or hard may be more or hart may be more Bremer go bust may be more attrac tive. Work on existing projects would probably continue under a receiver The banks might do a deal if Brense promised a radical restructuring and focused on its recently modernised east German shipyards. But that idea would run into heavy opposition from the Bremen government, which wants

0186

Wall Str.

Sten2 2

Sn:3

Even after their 46 per cent tumble yesterday, the shares are probably

Nuclear privatisation

Talk of a trade sale of British Energy looks distinctly optimistic. At any rate Duke Power, the US company said by the British government to be sniffing around, energetically denies it. But ministers are still right to explore the possibility. A trade sale would avoid all the awkwardnesses of selling nuclear power shares to the public. And if Mission Energy's acquisition of the National Grid's pumped storage business is anything to go by a US bidder might be coaxed into pay ing a premium price. Fears that such a bnyer could extract bumper profits and then walk away from blg long-term liabilities look wide of the mark: British Energy has to pay annual contributions into a segrega decommissioning cost fund to avoid precisely this possibility.

But are these contributions enough?

The House of Commons trade and industry committee report, published yesterday, argues not. It points out that some long-term costs, such as disposing of intermediate and high-level waste, will have to be borne after the last nuclear power station has closed but are not expected to be covered

by the segregated fund. As the com-mittee rightly says, they should be. Although this could nearly double the company's annual contributions to the fund, its free cash flow could comfortably absorb it. The committee's attitude is striking

for another reason. It has conspicuously ignored arguments that British Energy needs to be relieved of some liabilities before it can be successfully sold. This scepticism is fully justified

Additional Lex comment on Lloyds Chemists, Page 18

This advertisement has been approved by Morgan Grantes & Co. Limited, which is regulated by The Securities and Futures Authority

Zakłady Przemysłu

Wytwórnia Wyrobów

Cigarettenfabriken GmbH

Tytoniowego w

Radomiu S.A.

Tytoniowych w Poznaniu S.A.

SEITA S.A.

Reemtsma



The Ministry of Privatisation of the Republic of Poland

has disposed of strategic shareholdings in the following companies

Przedsiębiorstwo Wyrobów Tytoniowych w Augustowie S.A.

BATIG GmbH (BAT Group)

Zakłady Przemysłu Tytoniowego w Krakowie S.A.

Philip Morris Holland B.V.

US\$509 Million aggregate consideration

US\$300 Million minimum investment commitment

Morgan Grenfell & Co. Limited

acted as financial adviser to tha Ministry of Privatisation on these transactions

Morgan Grenfell & Co. Limited 23 Great Winchester Street, London EC2P 2AX Tel: 0171 588 4545 Fax: 0171 826 7900

Deutsche Morgan Grenfell

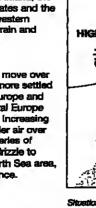


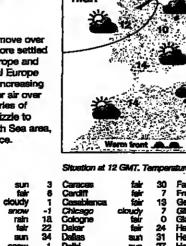
Europe today A surge of milder air from the Atlantic will begin

to replace the cold air over the western part of the continent. Temperatures will gradually increase over tha British Isles, tha Benelux and western France. A frontal zone will cause cloud. snow and rain in western France and later in the south-west of the Benelux. The Rhone valley will still have a strong and cold Mistral. Rain will perist over northern Spain and Portugal but the rest of the Iberian peninsula will have abundant sun. A depression over north-eastern Poland will bring cloud, snow and sleet to Finland, the Baltic states, Poland, the Balkan states and the Alps. Italy, Greece and especially western Turkey will continue unsettled with rain and local thunder showers.

Five-day forecast

High pressure from the Atlantic will move over south-western Europe resulting in more settled conditions in central and eastern Europe and the Mediterranean. Frost over central Europe will slowly retreat to the north-east, increas south-westerly winds will draw milder air over western Europe from Saturday. A series of frontal systems will bring rain and drizzle to south-western Scandinavia, the North Sea area the British Isles and north-west France.





cloudy sleet thund fear cloudy tair shower cloudy fair fair sun cloudy rain cloudy snow fair fair

FT WEATHER GUIDE

The airline for people who fly to work.

Lufthansa